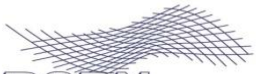

PROVINCIAL DISASTER MANAGEMENT AUTHORITY (PDMA)
And
PROVINCIAL RECONSTRUCTION, REHABILITATION AND SETTLEMENTAUTHORITY (PaRRSA)

PROCUREMENT MANUAL

April, 2013

ABBREVIATIONS & ACRONYMS

AG	Auditor General
AGPR	Accountant General Pakistan Revenue
AGKP	Accountant General of Khyber Pakhtunkhwa
AMP	Annual Management Plan
APPA	Annual Project Plan of Action
AWP	Annual Work Plan
BOC	Bid Opening Committee
BOQ	Bill of Quantities
CM	Chief Minister
CSF	Critical Success Factors
DC	Deputy Commissioner /District Administration
DCU	Donor Coordination Unit
DDMU	District Disaster Management Unit
DRRC	District Reconstruction & Rehabilitation Committee
DG	Director General PDMA-PaRRSA
DLCR	Donor Liaison / Compliance Reporting
DNA	Damages and Needs Assessment
DPO	District Police Officer
DRM	Disaster Risk Management
DAC	Divisional Approval Committee
EA	Executing Agency
EOI	Expression of Interest
FoDP	Friends of Democratic Pakistan
GFR	General Financial Rules
GOKP	Government of Khyber Pakhtunkhwa
GOP	Government of the Islamic Republic of Pakistan
GRN	Good Receiving Note
HR	Human Resource
IA	Implementing Agency
IFB	Invitation for Bids
IFB	Invitation for Bids
IFQ	Invitation for Quotation

IMEP	Integrated Monitoring and Evaluation Plan
INGO	International Non-Government Organization
ITB	Instruction to Bidders
KP	Khyber Pakhunkhwa
KPI	Key Performance Indicators
LCS	Least Cost Selection
LFA	Logical Framework Analysis
M&E	Monitoring and Evaluation
MPPA	Monthly Project Plan of Action
MTR	Mid-Term Review
NCB	National Competitive Bidding
NDMA	National Disaster Management Authority
NDMC	National Disaster Management Commission
NGO	Non-Government Organization
PE	Procuring Entity
Pakistan	The Islamic Republic of Pakistan
PaRRSA	Provincial Reconstruction, Rehabilitation & Settlement Authority
PCD	Planning and Coordination Department
PCNA	Post Conflict Need Assessment
PDAD	Project Design and Appraisal Department
PDMA	Provincial Disaster Management Authority
PDMC	Provincial Disaster Management Commission
PDWP	Provincial Development Working Party
PEC	Pakistan Engineering Council
PMO	Procurement Monitoring Officer
PRF	Procurement Requisition Form
PrSC	Project Steering Committee
PSC	Provincial Steering Committee
P&D	Planning and Development Department
PO	Purchase Order
PPO	Provincial Police Officer
PU	Procurement Unit
QBS	Quality Based Selection
QCBS	Quality and Cost Based Selection

QPPA	Quarterly Project Plan of Action
RBM	Result Based Monitoring
RFP	Request for Proposals
RFQ	Request for Quotations
RRSD	Relief, Rehabilitation & Settlement Department
SBA	Summary Bid Analysis
SBD	Standard Bidding Document
SITAN	Situation Assessment and Analysis
SOP	Standard Operating Procedure
SPF	Standard Procurement Form
TC	Tender Committee
TET	Technical Evaluation Team
TIA	Tender Inviting Authority
TEC	Technical Evaluation Committee
TORs	Terms of Reference

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1. DEFINITIONS

1.1 "Affected Area" means an area affected by a disaster.

1.2 "Appointing Authority" means the DG PDMA-PaRRSA or Secretary RRS, or Chief Secretary, or Chief Minister", as the case may be.

1.3 "Authority" means Provincial Disaster Management Authority.

1.4 bid" means a tender, or an offer, in response to an invitation, by a person, consultant, firm, company or an organization expressing his or its willingness to undertake a specified task at a certain price

1.5 "Best Evaluated Bid" means the highest ranking fair bid in accordance with the evaluation criteria set forth in the bidding documents (in case for procurement of goods and services) and the lowest responsive evaluated bid will be the best evaluated bid (in case of procurement of works).

1.6 "Bidding Documents" means the data, information and representation submitted by the bidder on the bid solicitation documents advertised and made available by the procuring entity.

1.7 "Bidder" means a contractor, supplier, vender or consultant who offers his services for procurement of goods works, or services in response to bid solicitation by a procuring entity.

1.8 "Bid solicitation documents" means the documents prepared by the procuring entity on the format of standard bidding documents for solicitation of bids.

1.9 "Consultants" means a person, a firm, a company or an organization undertaking supply of services.

1.10 "Competent Authority" means an officer authorized under the rules to accord approval/sanction for the objective under consideration.

1.11 "Director General" means the Director General PDMA-PaRRSA.

1.12 "Disaster" means a catastrophe or a calamity in an affected area, arising from natural or man-made causes or by accident or fire, bomb blast, terrorist activities, militancy, annoyed or provoked mob which results in a substantial loss of life or human suffering or damage to, and destruction of, property both movable and immovable.

1.13 "District" means any district of Khyber Pakhtunkhwa.

1.14 "Disaster Management" means managing the complete disaster spectrum including:-

a) Preparedness
b) Response
c) Recovery and Rehabilitation
d) Reconstruction

1.15 "District Unit" means the District Disaster Management Unit.

1.16 "District Rehabilitation & Reconstruction Committee" (DRRC) means the District level Committee for approval and implementation of Rehabilitation and Reconstruction projects.

1.17 "District Plan" means a Disaster Management Plan prepared for any particular district of Khyber Pakhtunkhwa.

1.18 "Evaluation Committee" A committee established by Competent Authority to undertake evaluation of bids/quotations and proposals for procurement of goods works and services.

1.19 "Eligible Bid" A Bid that meets the basic eligibility criteria in a preliminary screening and then accepted for detail evaluation. Mandatory eligibility criteria may include registration of company as operates in conformity with the provisions of the laws of that country and possession of a business license and bid validity etc. A tender may also specify that a Bid Security for a specified amount and in a specified format be enclosed with the tender. If there is no Bid Security, the bid is "non-compliant" and therefore not "eligible" to go forward for detail evaluation.

1.20 "Executing Agency" means the Provincial Government Departments responsible for execution of the projects and other organizations associated by PaRRSA-PaRRSA for implementation of such projects.

1.21 "Federal Government" means the Ministry or Division of the Federal Government having administrative control of disaster management or any other Division or Ministry of the Federal Government involved in the specific objective.

1.22 "Financial Powers" the powers as specified in the Government of Khyber Pakhtunkhwa, Financial Powers and Re-appropriation Rules 2001 and other rules. Financial Power provides a regulatory framework for the management of expenditure by the Government or the authority to spend, given to an officer in the performance of his duties.

1.23 "Fund" Provincial Disaster Management Fund or any amount provided by Federal/Provincial Government or donors/agency for disaster management

including preparedness, mitigation, rescue, relief, rehabilitation and reconstruction in the disaster threatening /affected areas.

1.24 "Government" means the Government of Khyber Pakhtunkhwa.

1.25 "Implementing Agency" means the Authority / department / organization / district responsible for implementation of particular project/activity.

1.26 "KP PPRA Act" means Khyber Pakhtunkhwa Public Procurement Authority Act, 2012.

1.27 "Lowest Evaluated Bid"

(i) A bid most closely conforming to evaluation criteria and other conditions specified in the bidding document; and

(ii) Having lowest evaluated cost;

1.28 "Manual" means the Procurement Manual for PDMA-PaRRSA.

1.29 "National Authority" means the National Disaster Management Authority.

1.30 "National Plan" means National Disaster Management Plan set forth for whole country.

1.31 "National Commission" means the National Disaster Management Commission established under Section 3 of NDMA Act 2010.

1.32 "PaRRSA" means the Provincial Reconstruction, Rehabilitation and Settlement Authority.

1.33 "Procurement" The formal process of acquisition of goods, works, or services.

1.34 "Public Procurement" means acquisition, temporary or permanent or on lease, of goods or services or undertaking of works by contractual means, financial wholly or partly out of fund by any procuring entity.

1.35 "Project" means any activity or intervention undertaken by or on behalf of PDMA-PaRRSA, which is funded by PDMA-PaRRSA, for disaster management including preparedness, mitigation, rescue, relief, rehabilitation and reconstruction in the disaster threatening/affected areas.

1.36 "PDMA" means the Provincial Disaster Management Authority-Khyber Pakhtunkhwa.

1.37 "Relevant Period" means the period during which an activity is performed or scheduled to be performed

1.38 "Request for Proposals" The term request for proposal (RFP) is commonly used in bidding Process. RFP is issued at an early stage in a procurement process, where an invitation is presented for suppliers, and consultancy services often

through a bidding process to submit a proposal for a specific commodity or services.

1.39 "Repeat orders" means procurement of the same commodity from the same source without competition and includes enhancement of contracts

1.40 "Responsive Bid" A Bid that meets the technical requirements of a tender in the evaluation stage. Technically non-responsive bids do not go forward to the financial evaluation stage.

1.41 "Rules" means PDMA rules, KP Govt Procurement of Good, Works and Services Rules, 2003.

1.42 "Restricted Tendering" Tender procedures other than Open Competitive Bidding. Restricted Tendering refers to Tendering based on a short-list of suppliers, on pre-qualification, or on the various methods of procurement concerned with sole suppliers or a limited number of suppliers.

1.43 "Specifications Committee" A committee formed by an Authorized Person, Relevant Authority to undertake the preparation of specifications and documents for procurement

1.44 "Steering Committees" means the Provincial and Divisional Steering Committees formulated for PaRRSA activities.

1.45 "Technical Committee" A committee established to assist a Procurement Unit, Relevant Authority; Tender Committee to review documents and make evaluations.

1.46 "Transparency" Openness and Accountability in all activities and actions Concerned with procurement.

1.47 "Works" means any constructional 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 material and decoration, finishing and includes allied services such as mapping, satellite photography, seismic investigations and similar activities, if the value of the services does not exceed that of the works themselves.

1.48 "Emergency Procurement" means Procurement as defined under section 32 of NDMA Act 2010.

1.49 "FIs" means Food Items

1.50 "NFIs" Non-Food Items

1.51 "RRS Department" means the "Relief, Rehabilitation and Settlement Departments.

1.52 "Secretary" means "Secretary of Relief, Rehabilitation and Settlement Department".

1.53 **Shall**, **must** and **will** means that the procedure is mandatory

1.54 **Should'** mean that the procedure is recommended.

1.55 '**May'** means that the procedure is optional

1.56 "Corrupt practice" refers to the offering, giving, receiving or soliciting (directly or indirectly) of anything of value to improperly influence the actions of another person. Corruption in the procurement process generally involves a fraudulent act such as bribery or a kickback. The list of definitions set forth below indicates the most common types of corrupt practices, but is not exhaustive.

1.57 "Fraudulent practice" or "fraud" means a misrepresentation of facts in order to influence a procurement or selection process or the execution of a contract to the detriment of a person(s), and includes collusive practices among bidders or consultants (prior to the submission of bids or proposals) designed to establish prices at artificial, non-competitive levels and to deprive other parties, including the organization of the benefits of free and open competition.

1.58 "Corrupt practice" or "corruption" means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the actions of another party in the procurement or selection process or in contract execution.

1.59 "Unethical Practice" means conduct that violates the provisions of conflict of interest and gifts and hospitality.

1.60 "Bribery": the act of unduly offering, giving, receiving or soliciting anything of value to influence the process of procuring goods, services or works, or executing Contracts.

1.61 "Extortion" or "Coercion": the act of attempting to influence the process of procuring goods, services or works, or executing Contracts by means of threats of injury to person, property or reputation.

1.62 "Collusion" or "Bid Rigging": a scheme of arrangement between two or more vendors, with or without the knowledge of the PDMA-PaRRSA, designed to establish prices at artificially non-competitive levels.

2. INTRODUCTION

2.1 Preliminary Information

This manual sets forth the policies and procedures for the procurement process with the intent of ensuring compliance, consistency and transparency. These policies and procedures have been developed in accordance with the applicable government laws and regulations, anticipated requirements of donor agencies and scale of PDMA-PaRRSA's activities, so that PDMA-PaRRSA's requirements for goods, works and services are achieved efficiently and effectively, and also catering to donor requirements.

2.2 Principles of Procurement

Basic principle of procurement is that all procurements shall be against realistic demand and requirement of PDMA keeping into account the budget availability. All PDMA-PaRRSA procurement shall be conducted in such a manner that promotes principles of transparency, public access, value of money, accountability, swift grievance handling and the procurement process is efficient and economical.

2.3 Purpose and objectives of the Manual

The purpose of this manual is to provide specific guidelines for the organization and field office personnel in daily Procurement procedures within PDMA-PaRRSA's offices in Khyber Pakhtunkhwa

The overall objectives of this Procurement Manual are to:

a. Provide guidelines and roles and responsibilities of the departmental head and key personnel of procurement section of PDMA-PaRRSA, and to ensure that the guidelines laid down in the PDMA Rules, Government of Khyber Pakhtunkhwa Procurement of Goods, Works and Services Rules, 2003 and other rules are followed in true letter and spirit.
b. Ensure optimal utilization of available resources and achievement of targeted results;
c. Ensure that PDMA-PaRRSA's procurements are undertaken in a manner consistent with the standards expected by the Government, Strategic Oversight Council, PDMC and donors;
d. Inculcate and implement a stringent regime of internal controls and a mechanism of checks and balances within the functional and organizational structures of PDMA-PaRRSA;

In particular, the objectives of Manual are;

a. Provide detailed guidance on the functions to be undertaken by Procurement section of PDMA-PaRRSA.
b. Serve as core reference for PDMA-PaRRSA procurement section.

2.4 Scheme of Manual:

This Manual has been designed to provide clear and precise guidelines in respect of procurements that fall within PDMA-PaRRSA's scope. The Manual has been based on the roles and responsibilities mandated to PDMA-PaRRSA, envisaged system of internal controls, policies and procedures to be followed by PDMA-PaRRSA's management.

This manual has been developed on the basis of organizational structure for PDMA-PaRRSA and has been categorized into **two broad categories**;

a) Departmental roles and responsibilities; and
b) Process guidelines pertaining to procurement.

Departmental roles and responsibilities section provides detailed description of procurement section of PDMA-PaRRSA, its scope and responsibilities and terms of reference of relevant management personnel.

Process guidelines section links the scope and responsibilities in departmental roles and responsibilities section and provides detailed description of activities, procedures to be undertaken while carrying out procurement activities, personnel responsible and accountable for carrying out the procedures and other operational modalities.

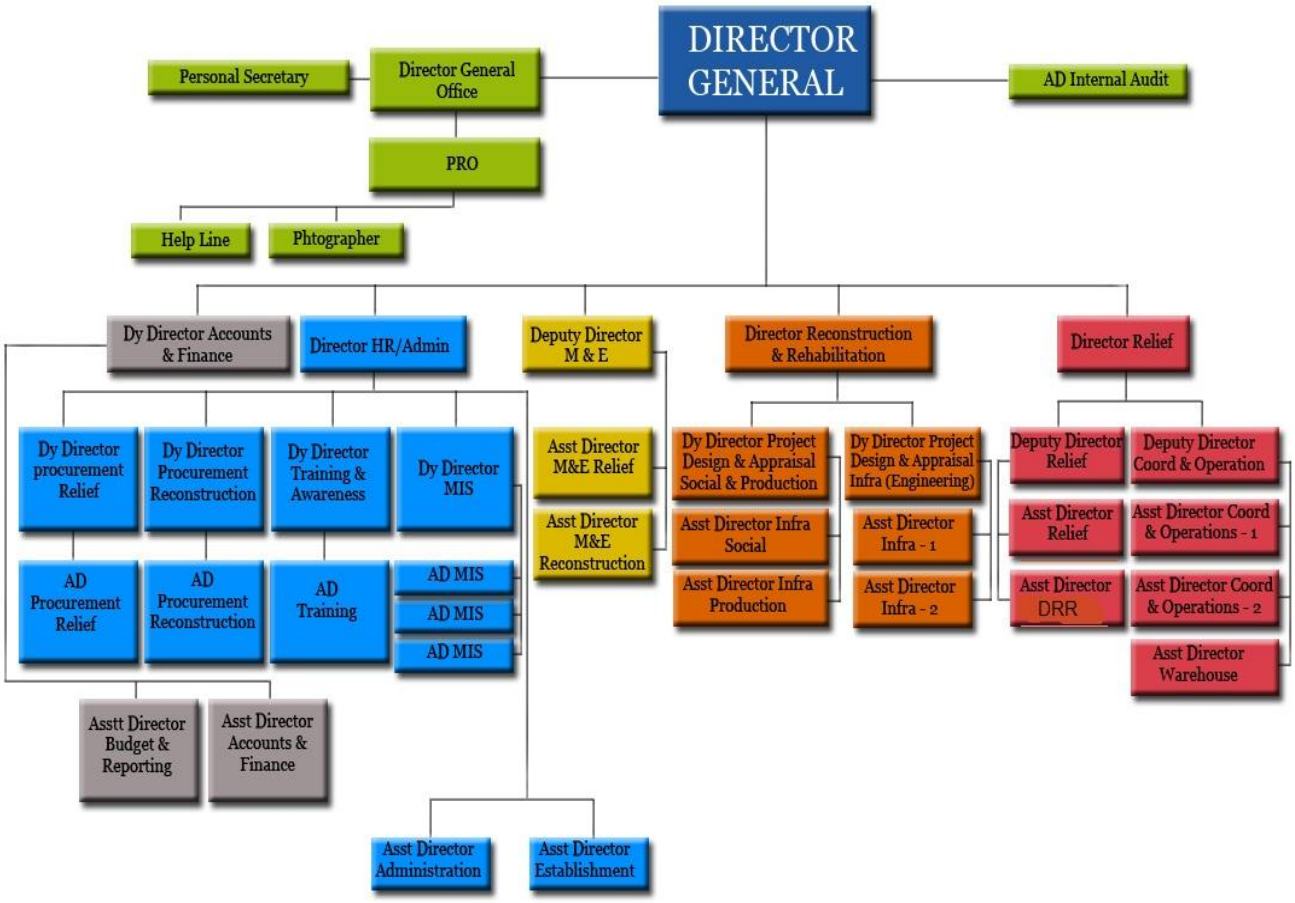
2.5 Authority and Responsibility for the Manual:

The Procurement Section of PDMA is headed by the Director HR and Admin who oversees and is responsible for overall functioning of the procurement section. Director HR and Admin is assisted by Deputy Director Procurement (Reconstruction) and Deputy Director Procurement (Relief).

All updates/modifications to the manual shall be reviewed by the Director HR and the Procurement Committee already constituted by the Competent Authority before its submission to the Director General PDMA-PaRRSA for approval. All approved modifications/updates will be notified to all relevant personnel. Assistant Director Procurement shall be responsible for maintaining a log of all updates/modifications to the manual.

Although every attempt has been made to anticipate all situations requiring formalized policies, circumstances may arise which are not covered in the manual or a situation may warrant deviations from the stated policy. Procurement related issues may be settled through the Procurement Committee of PDMA. The cases will be settled on the recommendations of the Procurement Committee and with the approval of the Competent Authority.

2.6 Operational Structure of PDMA



2.7 Overview of PDMA-PaRRSA Activities

PDMA has been established to oversee the disaster management activities in KP. The stated mission of PDMA is to minimize disaster risks in the province of KP through formulation of comprehensive DRM strategies and their effective & efficient implementation. Whereas, PaRRSA has been established to supervise and monitor the reconstruction, rehabilitation and settlement activities in militancy affected areas of Khyber Pakhtunkhwa (KP), e.g. as current crisis in Malakand Division is under consideration.

Key functions to be performed by PDMA-PaRRSA are include:-

2.8.1 PDMA Activities

- Formulate the provincial disaster management policy obtaining the approval of the Provincial Commission;

- Coordinate and monitor the implementation of the National Policy, National Plan and Provincial Plan;
- Examine the vulnerability of different parts of the province of KP to different disasters and specify prevention or mitigation measures;
- Lay down guidelines to be followed for preparation of disaster management plans by the Provincial Departments and District Authorities;
- Evaluate preparedness at all governmental or non-governmental levels to respond to disaster and enhance preparedness;
- Coordinate response in the event of disaster;
- Give directions to any Provincial department or authority regarding actions to be taken in response to disaster;
- Promote general education, awareness and community training in this regard;
- Provide necessary technical assistance or give advice to district authority and local authorities for carrying out their functions effectively;
- Advice the Provincial Government regarding all financial matters in relation to disaster management;
- Ensure that communication systems are in order and disaster management drills are being carried out regularly;

2.8.2 PaRRSA Activities

PaRRSA is mandated to perform following functions:

- Prepare strategies and development plans for implementation in the affected areas of the province;
- Plan and coordinate the overall reconstruction, rehabilitation and resettlement effort;
- Provide one window facilitation to the international and national development partners;
- Supervise and monitor the implementing agencies;
- Establish standards and internal controls within and outside the organization;
- responsible for all the projects proposed under the various support funds created by the Friends of Democratic Pakistan and other international partners;

- Provide the requisite speed, ease, facilitation, coordination and supervision to the reconstruction and rehabilitation programs and linkages to all the parties involved and helping the provincial Government in its endeavor to rehabilitate the affected areas;

- Provide a fast track approval process for the projects and activities undertaken for the reconstruction and rehabilitation of the affected regions.

3. DEPARTMENTAL ROLES AND RESPONSIBILITY

3.1 Overview of the Section

Procurement Section of PDMA falls under HR and Administration section of PDMA-PaRRSA, which is headed by the Director HR and Administration.

The Procurement section of PDMA consists of a number of activities. The key among them is procurement planning which includes annual procurement planning, initiation of procurement process and planning an individual procurement requirement.

3.2 Scope of Manual

The scope of this manual extends to the all procurements in PDMA-PaRRSA. The role and responsibilities given in this manual are binding on all personnel acting for or on behalf of the procurement section of PDMA-PaRRSA.

3.3 Departmental Structure

Director HR and Administration is primarily responsible for all procurement activities within the PDMA, who is supported by Deputy Director Procurement Relief and Deputy Director Procurement Reconstruction. Each Deputy Director is assisted by Assistant Director Procurement, while in case of PaRRSA he will be assisted by PM & Admin Officer.

3.4 Job Descriptions of Key Personnel:

A. **Director HR and Administration is responsible for**;

- Developing/updating policies and procedures manual for procurement section of PDMA-PaRRSA as well as other Standard Operating Procedures (SOPs);

- Developing guidelines for Procurement Staff;

- Supervise preparation of annual procurement plan;

- Supervising pre-procurement reviews;

- Supervising post-procurement compliance reviews;

- Identifying training needs and providing / arranging relevant trainings to PDMA's staff on draft Policies and Procedures Manual;
- Reviewing and authorizing reports submitted by Deputy Directors;
- Coordinate procurement activity;
- Hire, train, and supervise procurement related staff;
- Supervise performance of procurement staff;
- Ensure adherence to established policies and procedures;
- Ensure adherence to applicable laws and regulations on procurement;
- Oversee procurement process initiated for relief or reconstruction activities
- Perform and oversee any additional task assigned by DG PDMA-PaRRSA.

B. While Deputy Director Procurements are responsible for:

- Developing guidelines to carry out compliance reviews of procurement process;
- Supervising/ conducting pre-procurement reviews;
- Supervising/ conducting post-procurement compliance reviews;
- Monitoring procurements by line departments at pre-procurement stage, during the procurements and at post-procurements stage;
- Preparing reports on procurement and submitted it for review of the Director HR/ Admin; and
- Preparing progress updates on the procurement activities
- Assist the Director HR & Admin in procurement planning and updating the manual.

C. While Assistant Director Relief is responsible to;

- Assist Deputy Director Relief to manage and supervise all the activities of PDMA in respect of post disaster relief activities
- Assist Dy. Director Relief in developing Contingency Plan for Disaster Management
- Facilitate, analyze and process relief cases

- Facilitate and manage camps established for Internally displaced people at Khyber Pakhtunkhwa
- Assist Dy. Director Relief to analyze and process cases for the issuance of No-Objection Certificates to NGOs
- Assist in the supervision and provision of technical support in warehouse management
- Assist in facilitation of the procurement process and coordinate accordingly
- Facilitate, manage and supervise all relief related programs and interventions in Disaster Management and Disaster Risk Reduction
- Any other duties assigned by the competent authority

D. While Assistant Director Infra are responsible for;

- Assist Dy. Director Project Design & Appraisal Infra in evaluating proposed projects and their designs to ensure that PDMA stated goals and objectives are achieved;
- Submitting evaluation reports to Dy. Director Project Design and Appraisal infra on proposed projects schemes;
- Carrying out on-site verifications of targeted beneficiaries based on eligibility criteria established for each project; and
- Monitoring data collection and their verification.
- Assisting the R&R Section in performing activities related to donor coordination and reporting;
- Identifying potential funding sources and carrying out negotiations with potential funding agencies;
- Preparing programmatic progress reports for submission to respective donors;
- Ensuring compliance with terms and conditions of donor agreements;
- Liaising with other Sections for the preparation of work plans, donor financial reporting, program implementation and progress respectively.
- Any other duty assigned by the competent authority

Annual Planning

In accordance with the requirements of NDMA, 2010, a national plan having regard to the national policy and in close consultation with provincial governments, expert bodies and organizations shall be developed which is approved by NDMC. The plan shall include measures for disaster prevention and disaster mitigation, integration of mitigation measures into development plans, measures for preparedness & capacity building and roles & responsibilities of different ministries and departments.

Similarly a provincial plan is prepared annually by PDMA having regard to guidelines laid down by NDMA after consultation with District Administration. The plan shall include vulnerability of different parts of the province to different disasters, measures to be adopted for disaster prevention and disaster mitigation, manner in which the mitigation measures to be integrated with development plans and the capacity building and preparedness measures to be taken.

3.5 Annual Procurement Plan

Under provision of KP Public Procurement Regulatory Authority Act 2012 **Rule 22**, each procuring entity shall plan its procurement requirements which must be documented and approved by the procuring entity prior to commencement of procurement proceedings.

PDMA-PaRRSA shall prepare an annual procurement plan with the objective of:

i). realistic requirement,
ii). available and expected source of funding,
iii). Expected/proposed delivery period,
iv). Procurement method to be applied,
v). completion date and time

The annual procurement plan shall be formulated in line with the annual Provincial Plan for DRM and annual District Plan and will be uploaded on KP PPRA website.

The annual procurement plan shall have two components namely;

1. Plan for relief activities.
2. Plan for reconstruction and rehabilitation activities.

Concerned districts will submit their anticipated annual procurement requirements through the Head of local councils of the respective districts or DCs/District Administration bifurcating the plan into requirements for relief activities and reconstruction and rehabilitation activities. The annual procurement requirements will be submitted to Director Relief (for relief activities) and Director Reconstruction and Rehabilitation (for rehabilitation and reconstruction activities).

Consolidation of District's Procurement Plans:

Respective Directors will consolidate the district plans and submit to the Director HR and Admin for incorporating into overall annual procurement plan for PDMA.

In case of donor funded projects, various sections will submit their anticipated annual procurement requirements to the Deputy Director Procurement Reconstruction and Rehabilitation. After consolidation of the requirements of various sections, the Deputy Director Procurement Reconstruction and Rehabilitation will prepare and submit the annual procurement plans to Director HR and Admin for review.

Approval of Competent Authority:

Director HR and Admin will incorporate consolidated district plans as well as procurement requirements for donor funded reconstruction and rehabilitation projects into an overall annual procurement plan and submit it to the Director General PDMA-PaRRSA for approval.

Contents of Procurement Plan:

The annual procurement plan of PDMA-PaRRSA shall comprise on the following information;

a). Detail of Goods, Works and Services required,

b). A schedule of delivery from proposed start date to completion dates for all Goods, Works and Services required,

c). Estimated cost of Goods, Works and Services along with available budget and sources of funding,

d). Indication of Procurement method as defined under the Govt of Khyber Pakhtunkhwa (KP) Procurement Rules, 2003 i.e. open tendering, limited tendering/ Request for Quotation (RFQ), single source procurement, etc. for all and each procurement requirement

e). Indication of procuring body, whether goods, works and services to be procured by PDMA-PaRRSA or any special agency designated to procure common use items or any other body,

f). Details of any committed or planned procurement expenditure under existing multiyear contracts

Annual procurement planning shall be integrated into applicable budget processes and based on indicative or approved budgets, as appropriate. Procurement section of PDMA will revise and update their procurement plans, as appropriate, during the course of time. However, a procurement plan must be updated and revisited every six months. If any planned activity could not be

started due to (what so ever reason is) and may re-schedule the said activity to achieve the objectives of plan in true spirit.

Emergency Procurement (Relief Activities)

Under provision of NDMA 2010 section (32) i.e.
(*"Where by reason of any impending disaster situation or disaster, the National Authority, or Provincial Authority or District Unit is satisfied that immediate procurement of provisions or materials or the immediate application of resources are necessary for rescue or relief it may authorize the concerned department or authority to make the emergency procurement and in such case, the standard procedure requiring inviting of tenders shall be deemed to be waived")*

and read with rule 14 of KP PPRA Act, 2012, PDMA may carry out emergency procurement. The emergency procurement will not be part of the normal procurement as its volume, timelines and frequency of such procurement could not be pre-determined. Emergency Procurement in PDMA will be exempted from applicability of KP Procurement Rules for Goods, Works and Services 2003, as provided under rule 04 subject to the provisions of applicable laws and regulations and approval from competent authority. However, such type of procurement is not part of annual procurement plan.
Specimen of Procurement Plan for PDMA & PaRRSA is placed at Annex-II

4. Section- A "Procurement of Goods"

4.1 Introduction

This section sets out policies and procedures with respect to procurements carried out by and/or on behalf of PDMA-PaRRSA. It covers areas and activities, along with relevant procedures, that shall be followed while undertaking procurements.

Relevant Section	HR and Administration Department
Relevant Personnel	Director HR and Administration Deputy Director Procurement Reconstruction Deputy Director Procurement Relief Assistant Director Procurement Reconstruction Assistant Director Procurement Relief

4.2 Policy

PDMA is mandated to oversee the disaster management activities in Khyber Pakhtunkhwa (KP). The stated mission of PDMA is to minimize disaster risks in the province of KP through formulation of comprehensive Disaster Risk Management (DRM) strategies and their effective and efficient implementation, while PaRRSA is mandated to undertake reconstruction, rehabilitation and settlement activities in the militancy affected area of Khyber Pakhtunkhwa (KP).

It is the policy of PDMA-PaRRSA to procure goods, works and services at the best possible price and in consideration of value for money. Certain procedures have been established to ensure that recruitment process remain clear and transparent.

4.3 Procurement Committee

A procurement committee shall be established by the competent authority to oversee the procurement section of the PDMA.

Functions of Procurement Committee

The function of the procurement committee will be to oversee and overview the overall activities of procurement section including:

i). review of annual procurement plan and
ii). Update and recommend cases for approval of the Competent Authority
iii). Review/Initiate the procurement process and its recommendation for approval from competent authority and
iv). any other function delegated by the competent authority.

The procurement committee for PDMA-PaRRSA shall consist of;

- Director HR and Admin
- Director Reconstruction and Rehabilitation
- Director Relief
- Deputy Director Procurement (Reconstruction)
- Deputy Director Procurement (Relief)
- Assistant Director (Procurement)
- Co-opted member (selected by competent authority)
- Member Technical on need basis (If Technical analysis is required for any specific product)

All the Relief procurement shall be carried out by already approved Procurement Committee. The said committee shall consist of not less than three members who will be selected from amongst officers of PDMA and headed by Director of the Relief Wing. The constitution of the committee will be revised as and when needed. The committee will make procurement of relief items and services during normal circumstances as well as during emergency. It will also pre-qualify a panel of suppliers/contractors for purchase of specific relief items during emergency.

4.4 Initiation of Procurement Process

A. Procurement Requisition and Authorization:

All procurements undertaken by PDMA-PaRRSA shall be documented using a procurement requisition which shall include the following information.

a) A detailed description of goods, required
b) The estimated value of goods,
c) Details of funds budgeted for the requirements including any funds yet to be allotted or from future budgets for multiyear contracts;

d) Clearly identified proposed delivery date; and

e) Delivery location of the goods required;

While preparing the description of goods, PDMA shall seek technical advice from relevant personnel for example IT Specialist in case of Procurement of IT equipment etc., if required.

In estimating the value of goods, - the concerned department/section shall ensure that the estimate is realistic and is based on up to date information of market conditions.

The procurement requisition shall be submitted to the concerned Deputy Director Procurement, who will, after review and due verification, forward it to Director HR and Admin. Approval of purchase requisition will be granted

by the Director General PDMA-PaRRSA..

B. Budgeting and Allotment of Funds

Procurement Section of PDMA-PaRRSA shall ensure that adequate funds are budgeted and allotted, prior to initiating procurement proceedings, taking into account all costs involved in the procurement. The costs involved may, in addition to the total contract price, include the following:

(a) Contingencies cost ,including any anticipated variations as permissible under the rules

(b) Other costs relating to the successful delivery of a procurement requirement and for which the entity will be liable, such as freight, insurance, customs clearance, inland delivery, import taxes or duties, inspection, installation etc.

(c) Cost of advertisement, for floating the tender in the press media, as permissible under the rules.

Procurement Section shall also ensure that adequate funds are available for managing the procurement proceedings, including, but not limited to, any funds required for publication of notices.

Notwithstanding to the provisions of Para 178 of the GFR, an Entity may initiate procurement proceedings, up to, but not including contract award, prior to allotting funds required, where is necessary in order to meet the objectives of the procurement and comply with the procurement plan. The fact that funds have not yet been allotted shall be clearly stated on the procurement requisition, which shall also indicate the expected source of funds and when they are expected to be allotted.

Where the Entity initiates procurement proceedings prior to allotting funds, in exceptional cases, it shall obtain the prior written approval of the competent authority.

Where an Entity initiates procurement proceedings for a multi-year contract, which will commit the Entity to make payments in subsequent fiscal years, the Entity shall:

(a) Obtain approval of the Secretary RRS through the Director General, PDMA-PaRRSA, prior to contract award;

(b) Ensure that funds for the current fiscal year are budgeted; and

(c) Ensure that funds for future fiscal years are included in budgets for subsequent fiscal years and reported to Finance Department, without prejudice to a reservation by the Entity in the contract of the right to cancel subsequent years of the contract in the event that necessary funding is not allocated in the budget.

C. Description of Goods

Every procurement requisition for the procurement of goods shall be accompanied by a complete, precise and unambiguous description of the goods required. This description shall include, where appropriate-

(a) A list of goods and the quantities required, including any incidental services or works, such as delivery, installation, commissioning, maintenance, repair, user training or the provision of after-sales services;

(b) A delivery and completion schedule;

(c) Specifications; and

(d) Drawings (if applicable)

Specifications shall include, where appropriate –

(a) The purpose and objectives of the goods;

(b) A full description of the requirement;

(c) A generic specification to an appropriate level of detail;

(d) A functional description of the goods, including any environmental or safety features;

(e) Performance parameters, including outputs, timescales and any indicators or criteria by which satisfactory performance can be judged;

(f) Process and materials descriptions;

(g) Dimensions, symbols, terminology language, packaging, marking and labeling requirements;

(h) Inspection and testing requirements; and

(i) Any applicable standards.

The description of goods shall not be targeted to a specific company's specification/brand but shall be drawn up in an objective manner, so as to maximize competition.

4.5 Planning an Individual Procurement Requirement

The Secretary RRS Department gives approval of the procurement requisition for individual requirements. The Director HR and Admin with assistance from Deputy Director Procurement Relief and Deputy Director Procurement Reconstruction shall prepare a procurement plan for each individual procurement requirement.

Procurement plans shall include:

(a) The estimated value of the requirement and, where applicable, individual lots;

(b) The proposed procurement method and a justification for the use of any method other than open tendering, or selection of consultant;

(c) An indication of whether a pre or post qualification will be required, or whether the procurement requirement will make use of any pre-qualification for a group of contracts;

(d) An estimate of the time required for each stage in the procurement cycle, taking into account publication requirements and the applicable approval requirements;

(e) The proposed type of contract;

(f) An indication of the resources required and available for management of the procurement process and contract administration; and

(g) Any other relevant information.

Where the estimated value of the procurement requirement is less than a particular threshold, use of the request for quotations method is permitted according to **rule 35 of Govt of Khyber Pakhtunkhwa, Procurement of Goods, Works and Services Rules 2003**, no written procurement plan shall be required.

The Procurement Plan shall be submitted to the Procurement Committee for onward submission to the Director General PDMA-PaRRSA for approval, prior to issuance of any solicitation documents.

4.6 Committees formed at the district, divisional, provincial level and their functions

Following committees are constituted at provincial and district level to oversee the disaster risk management activities including approval of plans and procurement in accordance with NDMA Act 2010.

A. Provincial Disaster Management Commission:

The PDMC consists of following officials:

a) the Chief Minister of the Province who shall be Chairperson,

b) Leader of the opposition and one member nominated by him to be member of the provincial commission;

(b-i)[1]the Secretary to Government of the Khyber Pakhtunkhwa Relief, Rehabilitation and Settlement Department, shall be ex-officio member;

(b-ii)[2] the Director General of the Provincial Authority shall be ex-officio member-cum- secretary;

c) Other members to be nominated by Chief Minister;

d) the Chairperson of the Provincial Commission may designate one of the members nominated under clause (c) to be the Vice-Chairperson

Powers and function of PDMC:

The functions of Provincial Disaster Management Commission include the following;

a) Lay down the Provincial disaster management policy;

b) Lay down the Provincial Plan in accordance with the guidelines laid down by the National Commission;

c) Approve the disaster management plans prepared by Provincial departments;

d) Review the implementation of the plan;

e) Oversee the provision of funds for mitigation and preparedness measures;

f) Review the development plans of different departments of the province and ensure that prevention and mitigation measures are integrated therein; and

g) Review the measures being undertaken for mitigation, capacity building and preparedness by the departments of the KP and issue such guidance or directions as may be necessary.

h) to direct the Provincial Authority to undertake any project under its administrative control for the purpose of expedient recovery including

[1] Inserted vide National Disaster Management (Khyber Pakhtunkhwa) (Amendment) Act, 2012
[2] Inserted vide National Disaster Management (Khyber Pakhtunkhwa) (Amendment) Act, 2012

relief, rehabilitation, reconstruction and settlement etc., of the affected people.

The chairperson of the commission shall in case of emergency have power to exercise all or any of the powers of the provincial commission but the exercise of such powers shall be subject to ex-post facto approval of the provincial commission.

B. District Disaster Management Unit

As per NDMA Act 2010, Provincial Government shall notify establishment of a DDMU for every district.

The DDMU shall consist of the following officials, namely:

(a) Head of the local council at the district level (by whatever name called) or the Administrative Head of the district who shall be Chairperson, ex-officio;

(b) The District Coordination Officer,

(c) The District Police Officer, ex-officio;

(C-i) the Executive Engineer (Communication and Works),
(C-ii) the Executive District Officer (Education),

(d) The Executive District Officer Health; and

(e) Such other district level officers, to be appointed by the District Government

Powers of Chairperson of DDMU:

The Chairperson of the District Unit shall, in the case of an emergency, have power to exercise all or any of the powers of the District Unit but the exercise of such powers shall be subject to ex-post facto approval of the District Unit.

Powers and Functions of DDMU:

The District Unit shall be as the district planning; coordinating and implementing body for disaster management and take all measures for the purposes of disaster management in the district in accordance with the guidelines laid down by the National Authority and the Provincial Authority.

The Powers and functions of DDMU shall include the following;

1. prepare a disaster management plan including district response plan for the district;

2. co-ordinate and monitor the implementation of the National Policy, Provincial Policy, National Plan, Provincial Plan and District Plan;

3. ensure that the areas in the district vulnerable to disasters are identified and measures for the prevention of disasters and the mitigation of its effects are undertaken by the departments of the Government at the district level as well as by the local authorities;

4. ensure that the guidelines for prevention, mitigation, preparedness and response measures as laid down by the National Authority and the Provincial Authority are followed by all departments of the Government at the district level and the local authorities in the district;

5. give directions to different authorities at the district level and local authorities to take such other measures for the prevention or mitigation of disasters as may be necessary;

6. lay down guidelines for preparation of disaster management plans by the departments of the Government at the districts level and local authorities in the district;

7. monitor the implementation of disaster management plans prepared by the Departments of the government at the district level;

8. lay down guidelines to be followed by the Departments of the Government at the district level;

9. organize and co-ordinate specialized training programs for different levels of officers, employees and voluntary rescue workers in the district;

10. facilitate community training and awareness programs for prevention of disaster or mitigation with the support of local authorities, governmental and non-governmental organizations;

11. set up, maintain, review and upgrade the mechanism for early warnings and dissemination of proper information to public;

12. prepare, review and update district level response plan and guidelines;

13. co-ordinate with, and give guidelines to, local authorities in the district to ensure that pre-disaster and post-disaster management activities in the district are carried out promptly and effectively;

14. review development plans prepared by the departments of the Government at the district level, statutory authorities or local authorities with a view to make necessary provisions therein for prevention of disaster or mitigation;

15. identify buildings and places which could, in the event of a disaster situation be used as relief centers or camps and make arrangements for water supply and sanitation in such buildings or places;

16. establish stockpiles of relief and rescue materials or ensure preparedness to make such materials available at a short notice;

17. provide information to the Provincial Authority relating to different aspects of disaster management;

18. encourage the involvement of non-governmental organizations and voluntary social-welfare institutions working at the grassroots level in the district for disaster management;

19. ensure communication systems are in order, and disaster management drills are carried out periodically; and

20. Perform such other functions as the Provincial Government or Provincial Authority may assign to it or as it deems necessary for disaster management in the District.

C. Provincial Steering Committee (PaRRSA)

The PaRRSA's PSC is comprised of following officials:

1. Chief Secretary (In Chair)
2. Additional Chief Secretary Development
3. Additional Chief Secretary FATA
4. Additional Chief Secretary Home
5. Secretary Finance
6. Secretary Works and Services
7. Administrative Secretaries (Concerned)
8. Inspector General of Police/PPO
9. Commissioner concerned
10. Co-opted Member (s)
11. Director General-PaRRSA (Member Secretary)

Powers and functions of the PSC:

The Provincial Steering Committee shall take the decisions in the following matters:

1. Approve the sectoral annual work plans;

2. **Approve relief, construction and rehabilitation projects costing above Rs. 100 Million;**

3. Approve all Consultants selection; on the recommendations of the evaluation committee to be constituted by PaRRSA for the purpose of opening and evaluation.

4. Hold quarterly meetings to review ongoing projects;

5. Ensure full cooperation and support from all concerned departments in the planning and implementation of projects;

6. Ensure implementation of all reconstruction and rehabilitation projects in accordance with the standards in vogue;

7. Approve plans, programs & projects based on post conflict need assessment (PCNA); and

8. Perform any other duty assigned to it by the GoKP.

D. Divisional Approval Committee (PaRRSA):

The PaRRSA's DAC is comprised of following officials:

1. Commissioner concerned (In chair)
2. DC/District Administration of the relevant Districts
3. EDO's of the relevant departments and Districts
4. Representative of PaRRSA.

Powers and functions of the DAC:

The Divisional Steering Committee shall take the decisions in following matters:

1. **Approve reconstruction and rehabilitation projects costing up to Rs.100 Million;**

2. Hold quarterly or need based meetings to review progress of projects;

3. Ensure full cooperation and support from all concerned departments in the planning and implementation of projects; and

4. Perform any other duties assigned to it by the GoKP.

E. District Reconstruction & Rehabilitation Committees (DRRC):-

The DRRC is comprised of following officials:

1. DC (In chair)
2. EDO Finance & Planning
3. EDO/Representative of concerned department

4. Representative of PaRRSA

Approve reconstruction and rehabilitation projects costing up to Rs. 40 Million

4.7 Procurement Types & Process:

The procurements undertaken by PDMA can be categorized as into:

A. ***Relief Procurements***: These are such procurements whereby reason of any impending disaster situation or disaster, immediate procurement of provisions or materials or the immediate application of resources are necessary for rescue or relief activities. Relief procurements are further categorized into;

I. Relief Procurement under normal circumstances;

II. Relief Procurement under emergency situations.

B. ***Administrative Procurements:*** All procurements other than relief procurements will be called administrative procurements.

As per mandate of PDMA, following types of procurements will be carried out:

A. ***Direct procurements*** – procurements carried out directly by PDMA (for example procurement of office equipment, IT equipment & vehicles etc.)

Under direct procurement process, PDMA is responsible for the application of all laws and procedures discussed in section 4.11 below**.**

B. ***Indirect procurements*** – procurements carried out by lines departments of Govt of Khyber Pakhunkhwa (for example construction of schools by C&W department in Malakand Division). In such cases, PaRRSA releases the funds to line department for the said procurement and supervise the overall activity till completion.

The procuring entity (e.g. C&W department) will be responsible for carrying out pre-qualification of suppliers/contractors, inviting tenders, evaluations of tenders and award of contract, as per prevailing rules and regulations applicable by the Govt of KP.

Rules and Regulation

The PDMA shall follow normal procurement procedure as enumerated in the Khyber Pakhtunkhwa Public Procurement Regulatory Authority Act, 2012 and rules framed there under except those procurement needed for relief purpose required due to any impending disaster, or, disaster which shall be exempted from normal applicability of procurement procedures like tendering etc. in terms of Section – 32 of National Disaster Management Act, 2010

PDMA-PaRRSA organizes & manages database and website which shall warehouse information and publication of public procurement under provision of **KP PPRA Act, 2012 under rule 5 (c).**

For Relief procurements under emergency situations, the procedure given in section 4.9.1 shall be followed.

For donor funded procurements, PDMA shall adhere to requirements specified by donor(s) in accordance with **Rule No. 4 sub rule 3 of Khyber Pakhtunkhwa Procurement of Goods, Works and Services Rules, 2003.**

For Govt of Khyber Pakhtunkhwa Procurement of Goods, Works and Services Rules, 2003 please refer annexure XXI.

Please refer to section 4.11 for detailed procurement procedures to be followed by PDMA-PaRRSA for all types of procurements except for relief procurements under Emergency.

4.8 Procurement threshold

As per Finance Department, Govt of Khyber Pakhtunkhwa notification no. SO (FR)/FD/9-3/2001 dated 24-02-2002 referred Para 144 of GFR Vol-I all the department shall follow the following procurement threshold i.e.

Para 24	"Open Tender"	Rs. 40,000/- or above
Para 27	"Limited Tender"	Less than Rs. 40,000/-
Para 30	"Single Tender"	Upto Rs. 4,000/-

Procurement of Office furniture

All Department of Govt of Khyber Pakhtunkhwa will purchase the office furniture from "Khyber Pakhtunkhwa Small Industries Development Board Wood Working Boards" as per Industries Department letter dated 3rd July, 2003 on the following terms and conditions:-

i).	Terms of payment	Full advance
ii).	Confirmation of order	On receipt of advance
iii).	Delivery period	Maximum period 06 months to one year depend on the volume of orders

PDMA-PaRRSA will follow the above mentioned threshold or amended these and applicable by the Govt of Khyber Pakhtunkhwa from time to time.

4.9 General rules and guidelines for emergency procurements in PDMA

In accordance with Khyber Pakhtunkhwa, PDMA Rules 2012, read with Rule 4 of Procurement of Goods, Works and Services-2003, the district administration utilizing relief funds as the case may be, shall, however stand exempted from applicability of open tendering in the press for emergency procurements made during any emergency/disaster including the following;

a. Procurement/Purchase of all food and non-food items;

b. Procurement/purchase of any type of services regarding hiring & purchase of machinery, equipment, vehicles, labor, security and other staff required etc. to be used for humanitarian assistance and restoration of essential services during emergency;

c. All procurement/purchase related to all warehouse operations including logistic and maintenance;

d. Any emergency surveys, trainings etc. including equipment, materials etc. needed for such trainings & surveys;

e. Damage and Needs assessments of any type;

f. Aviation services;

g. Any emergency flood mitigation measures and rescue & evacuation operations including equipment and services;

h. Clearance of debris including animal carcasses etc.;

i. All essential medicines and supplies required including for control of epidemics through Health Department; and

j. Any other measure taken by the authority during any emergency in the best interest of the public.

4.9.1 Procedure for Relief Procurement under emergency situations

Under section 32 provision of NDMA, 2010 PDMA may carry out procurement on emergency and need basis subject to the provisions of applicable laws and regulations and approval from competent authority. ***However, these types of procurement are not included in the annual procurement plan.***

(A) Preparation for Relief Procurement under emergency situations

For meeting the needs of relief procurement in emergency situations, PDMA shall make preparations in advance which may include:

a. Identification of items and their technical specification/brands and services which would be needed during any emergency, shall be made by the Technical Evaluation Committee to be constituted by the Director General, PDMA or the District Coordination Officer, as the case may be, for providing emergency relief assistance to the affected people or for responding to an emergency situations;

b. Selection of a panel of suppliers/contractors after carrying out a pre-qualification process in a transparent manner for emergency relief procurement of amount more than PKR 40,000. The suppliers/contractors shall be pre-qualified for procurement of specific relief items or services for which they have shown interest to provide during emergency conditions. The Relief Procurement Committee may ensure that the supplier/contractor selected thus for specific relief items or services;

   i. Is a registered firm;
   ii. Is an authorized dealer of the items (in case of items which are prescribed to be purchased from authorized dealers)
   iii. Possesses necessary professional and technical competence, financial resources, experience and personnel to supply the required relief items or to provide the service for which they have been pre-qualified in a timely manner and to the satisfaction of the Authority;
   iv. Has fulfilled its obligation, if any, to pay government taxes;
   v. Has not been black-listed earlier by PDMA.

The detail procedure for pre-qualification of suppliers/contractors is given in Section 4.11 of this manual.

c. Periodical survey of markets to determine current market rates of the identified items and services. This information will be made on the basis of emergency procurement.

(B) <u>Procedure for Relief Procurement under emergency situations</u>

In emergency situations, PDMA will make procurements in the following manner after getting prior permission in writing form the Director General, PDMA to the effect that procurement will be made on emergency basis.

a. Procurement Committee or (Relief Procurement Committee if established under any special circumstances) may determine the need and specifications of the relief items or services needed urgently at that moment along with the timeline specifying quantity of items or services required in specified periods. The Committee may also specify brands for certain items for relief procurement.

b. All the suppliers/contractors prequalified for those specified items/services will be invited through letters/phone calls to offer their rates, in the form of quotations, along with the specimen of the items(s) if applicable , on the basis of specifications(and/or brand) and in the light of timelines decided by the

Committee. The specimen will be marked for respective suppliers. The supplier will also specify the quantity which they would be able to provide in difference timelines as specified by the Committee.

c. When the Committee is satisfied that sufficient time and opportunity has been provided to the pre-qualified suppliers/contractors for offering rates, all the quotations received along with respective specimens will be handed over to the Procurement/Relief Procurement Committee who will evaluate the quotations for rates, specifications and specimens for quality and brand. The Committee will also evaluate the reasonableness of the rates offered, by comparing these with the market rates as indicated by the monthly market assessment survey carried out by PDMA personnel.

d. Each quotation will be signed by all members of Committee, however, in any case not less than two (02) members of the Committee (pages where cost appears).

e. Normally the offer with the lowest rate will be recommended by the Procurement Committee for acceptance. However, the Committee may recommend an offer with a higher rate if the specifications or brand offered by lowest bidder is not in accordance with the required specification, and quality of specimen is far better than those offered by the supplier offering lower rates. Moreover, the very important factor of timeline shall also be considered before making recommendation as decision should be based on the basis of both quantitate and qualitative (cost, quality and delivery time). If the supplier finalized by the Procurement Committee, is able to provide some part of required quantity, and/or express inability to provide the remaining quantity of the item according to the timelines specified, the Procurement Committee may make recommendation as to the quantity which the finalized supplier will be asked to provide. For the remaining quantity, the Committee will make further negotiations with second lowest bidder or other suppliers whose quotations have not been accepted, in order of their ranking in terms of rates to see, if they consent to provide the required (remaining) quantity of the relief item on the rate and according to the specifications as offered by the successful bidder and in accordance with the timeline. If other supplier(s), as mentioned above are willing and able to provide the required quantity on the rates and specification/quality offered by the lowest evaluated responsive bidder, the Committee may make additional recommendation for making procurement from one or more such suppliers in addition to the supplier finalized in the first instance.

f. In case no pre-qualified supplier/contractor is able or willing to provide the required quantity and quality of relief items according to the timeline, the Procurement Committee will after getting approval of the Director General, visit market and get rates and specimens for that item from at least 03 suppliers/contractors. If on evaluation, the rates are lower and specimens/samples better than those offered by pre-qualified suppliers; the Procurement Committee will make recommendation for the acceptance of lowest rate offered by such non-prequalified supplier(s), provided that it does

not have any serious reservation as to the quality of item as evident from the specimen/sample.

g. The Proceedings and recommendations of Procurement Committee duly recorded in form of minutes of its meetings will be submitted to the Director General of PDMA-PaRRSA for final approval.

h. On the basis of the approval, the Procurement Section will issue a numbered "Supply Order" to the successful bidder(s). The supply order will be a detailed document which will include complete information on the conditions on which the supplier will make the supply. The information will consist of the following:

    1. Name and specification of the items, providing every necessary information about the item its quality or brand;

    2. Quantity;

    3. Form in which supply will be made (e.g. in bulk or in packs of specified weight/quantity);

    4. Time period, specifying date(s) in which the supplier/contractor be bound to make complete supply;

    5. Destination where supply has to be made;

    6. In case of a failure to supply the items in a timely manner, imposition of Liquidated Damages (LD) as per contract clauses.

    7. A warning that in case of non-compliance of any of the above mentioned parameters, part or whole supply can be rejected.

i. The committee shall ensure that the supplier fulfills all the above conditions. In case of breach of promise, the supplier may be penalized and/or blacklisted for further procurement by PDMA as deemed fit by the competent authority.

j. The specimen of the accepted bid will be sent to the warehouse.

k. The supplier will supply the procured items to the PDMA warehouse or any other destinations specified and according to the timeline provided in the supply order.

l. In the case of supply to the warehouse, the Store Keeper will issue a Goods Receipt Note (GRN) to the supplier which will contain all relevant information.

m. Receiving and handling of supplies at the warehouse will be governed by separate SOPs for warehouse operations.

n. The Store Keeper may reject complete or part of supplied items due to inferior quality or non-conformity with the specification as shown on the supply order or in the agreement with the specimen available at the warehouse. The Store Keeper will, however, be bound to report the matter to the Director HR and Admin immediately. The Store Keeper will also record it on the GRN. The Store Keeper will also check the requirement of Operational Acceptance Test (OAT) in consultation with Technical Expert of relevant area (if applicable).

o. The supplier after making complete supply against supply order will prepare a bill/invoice and provide to the procurement section of PDMA along with necessary supporting documents, i.e. copy of supply order, suppliers copy of GRN (in original). The bill/invoice must be valid printed invoice numbered, dated, certifying that Goods/Items provided are Brand New and according to specifications, Operational Acceptance Test (OAT) Report, warranty/guarantee certificates and signed by the supplier. It must also contain Sales Tax number and NTN of the supplier. The supplier will also provide a certificate from concerned Excise and taxation Officer, if he has not done this before, to the affect that all dues on account of Professional Tax have been paid by him.

p. The concerned official of the procurement section will prepare and maintain a complete file which will contain supplier's bills, copies of supply orders, warranty/guarantee certificates (if applicable), GRN, quotations, minutes of the proceedings of procurement committee, approval from the competent authority and any other relevant document. He will evaluate the claim and make recommendation as to the amount of payment. He will also take into consideration other facts like late supply, quantity rejected by the store keeper etc.

q. Director of the Relief Wing, after satisfying himself that payment recommendation is correct, will refer the claim to the Director General, PDMA for approval of the payment.

r. After approval from the Director General, the file will be routed through Finance Section of PDMA and will be processed according to the requirements of Finance Manual for PDMA.

4.10 General rules and guidelines for all types of Procurements

PDMA-PaRRSA shall follow these guidelines while undertaking all types of procurements.

A. Procurement process

PDMA may follow one of the following procurement process under provision of KP PPRA Act, 2012 **Rule 28**, sub rule (a) i.e. a single stage single envelop, a single stage, two envelops, a two stage single envelop and two stage two envelops procedures depending upon nature of procurement. Details of all these procedures are as under:

Two-Envelope Tendering (KP Procurement of Goods. Works and Services Rule 40)

In the case of construction or supply and installation of goods, equipment or tenders where **post-qualification** procedure is being followed, the Tender Inviting Authority shall follow the two-envelope tender system as detailed below:

a) the first envelope shall contain

i) **the experience** and past performance in the execution of similar contracts

ii) **the capabilities** with respect to personnel, equipment and construction or manufacturing facilities;

iii) **the financial status** and capacity; and

iv) any other information asked for by the Tender Inviting Authority in the notice inviting proposals or tenders; and

b) the second envelop shall contain the price quoted by the tenderers (called Financial Proposal)

The Tender Inviting Authority (TIA) shall opened the first envelop and evaluate the tenderer's capacity and resources on the basis of criteria specified in the tender document and on this basis, **prepare a list of technically qualified tenderers.**

The Tender Evaluation Committee **shall open the second envelope** containing the price quotations or **only those tenderers who are found technically qualified.**

PDMA-PaRRSA may follow any of procurement process, as listed below

a). single stage single envelop, bidding process

Each bid shall comprise one single envelope containing, separately, financial proposal and technical proposal (if any). All bids received shall be opened and evaluated in the manner prescribed in the bidding document.

b). single stage, two envelops, bidding process

(i) The bid shall comprise a **single package containing two separate envelopes.** Each envelope shall contain separately the financial proposal and the technical proposal;

(ii) the envelopes shall be marked as "**FINANCIAL PROPOSAL**" and "**TECHNICAL PROPOSAL**" in bold letters to avoid confusion;

(iii) initially, only the envelope marked "**TECHNICAL PROPOSAL**" shall be opened;

(iv) the envelope marked as "**FINANCIAL PROPOSAL**" shall be retained in the custody of the procuring agency without being opened;

(v) the procuring agency shall evaluate the technical proposal in a manner prescribed in advance in bidding document, and reject any proposal which does not conform to the specified requirements;

(vi) during the technical evaluation **no amendments in the technical proposal shall be permitted;**

(vii) the financial proposals of bids shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance;

(viii) after the evaluation and approval of the technical proposal the procuring agency, shall at a time within the bid validity period, publicly open the financial proposals of the technically accepted bids only.
The financial proposal of bids found technically non-responsive shall be returned un-opened to the respective bidders;

(ix) the bid found to be the lowest evaluated bid shall be accepted.

c. Two stage, single envelop, bidding process

First stage

(i) the bidders shall **first submit a technical proposal without price**; according to the required specifications

(ii) the technical proposal shall be evaluated in accordance with the specified evaluation criteria and may be discussed with the bidders regarding any deficiencies and unsatisfactory technical features;

(iii) after such discussions, all the bidders shall be permitted to **revise their respective technical proposals** to meet the requirements of the procuring entity;

(iv) the procuring entity may revise, delete, modify or add any aspect of the technical requirements or evaluation criteria, or it may add new requirements or criteria etc. 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.

(v) those bidders not willing to conform their respective bids to the procuring agency's technical requirements may be allowed to withdraw from the bidding without forfeiture of their bid security;

Second stage

(i). the bidders, whose technical proposals have not been rejected and who are willing to conform their bids to the revised technical requirements of the procuring entity, shall be invited **to submit a revised technical proposal along with the financial proposal;**

(ii) the **revised technical proposal** and the **financial proposal** shall be opened at a time, date and venue announced and communicated to the bidders in advance;

(iii) the revised technical proposal and the financial proposal shall be evaluated in the manner prescribed above.
(iv) The bid found to be the lowest evaluated bid shall be accepted

(d) Two stage - two envelope, bidding process

First stage

(i) the bid shall comprise a single package containing **two separate envelopes**. Each envelope shall contain separately the financial proposal and the technical proposal,
(ii) initially, only the envelope marked "**TECHNICAL PROPOSAL**" shall be opened and **"FINANCIAL PROPOSAL**" shall be retained in the custody of the procuring agency without being Opened,
(iii) the technical proposal shall be **discussed with the bidders** with reference to the **procuring agency's technical requirements,**
(vi) **those bidders willing** to meet the requirements of the procuring agency shall be allowed **to revise their technical proposals**, and
(v). bidders not willing to conform their technical proposal to the revised requirements, shall be allowed to withdraw their bids without forfeiture of their bid security;

Second stage

(i) bidders who are willing to conform to the revised technical specifications, shall submit a **revised technical proposal and supplementary financial proposal**, according to the technical Requirement,
(ii) the **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 procuring entity, Provided that procuring entity 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;
(iii) the procuring agency shall evaluate the whole proposal in accordance with the evaluation criteria and the bid found to be the lowest evaluated bid shall be accepted.

B. Ethical Standards and Responsibilities in Procurement

1. Staff members must adhere to the ethical standards and responsibilities that apply to procurement activities in order to protect the integrity, fairness and transparency of the procurement process.

2. All business must be conducted in the best interests of the organization, avoiding any situation which may impinge, or might be deemed to impinge, on impartiality.

3. Public money must be spent efficiently and effectively and in accordance with Government policies; procuring entity must purchase without favor or prejudice and maximize value in all transactions.

4. Procuring entity must maintain confidentiality in all dealings.

5. Personnel involved in procurement must decline gifts, gratuities, or any other benefits which may influence, or might be deemed to influence, equity or impartiality.

6. Staff involved in the procurement process must adhere to the highest ethical standards while implementing the four procurement principles as under:

   a) Best value for money;
   b) Fairness, integrity and transparency;
   c) Effective competition; and
   d) The interest of the organization.

7. Ensure that all potential suppliers/contractors are provided with identical information upon which to base tenders and quotations and are given equal opportunity to meet the requirements.

8. Establish and maintain procedures to ensure that fair and equal consideration is given to all tenders and quotations received.

9. Offer a prompt and courteous response to all reasonable requests for advice and information from potential or existing suppliers / contractors.

10. Promote fair and open competition and seek value for money for the donor(s) funds.

11. Be equitable in the treatment of all suppliers/contractors.

12. Seek to minimize the cost to suppliers/contractors of participation in the procurement process.

13. Protect confidential information, deal honestly with suppliers/contractors and keep accurate records to justify the process and any decisions made.

14. Complete a conflict of interest declaration and take steps to avoid involvement in any procurement activity where any conflict of interest (actual or perceived) may arise**.** ***For a sample of conflict of interest form, please refer Annexure- I.***

15. Abstain from soliciting or accepting remuneration or other benefits from a supplier/contractor for the discharge of official duties.

16. **Under provision of Rule 16 of KP PPRA Act, 2012,** all procurement shall be carried out in accordance with Code of Ethics. Public officials as

well as experts, engaged to deliver specific services in public procurement proceedings including evaluation of bids, shall be required to sign a Code of Ethics Conduct as may be prescribed in KP Public Procurement Rules.

All vendors of goods, works or services shall be required to sign a declaration of compliance with such code of conduct as may be prescribed.

C. Staff responsibilities/obligations

1. Staff members shall uphold the highest standards of efficiency, competence and integrity. The concept of integrity includes, but is not limited to, probity, impartiality, fairness, honesty and truthfulness in all matters affecting their work and status.

2. Staff members shall not use their office or knowledge gained from their official functions for private gain, financial or otherwise, or for the private gain of any third party, including family, friends and those they favor. Nor shall staff members use their office for personal reasons to prejudice the positions of those they do not favor.

3. Staff members shall exercise the utmost discretion with regard to all matters of official business. They shall not communicate to any Government, entity, person or any other source any information known to them by reason of their official position that they know or ought to have known has not been made public, except as appropriate in the normal course of their duties or by authorization of the DG. These obligations do not cease upon separation from service.

4. Staff members shall not be actively associated with the management of, or hold a financial interest in, any profit-making business or other concern, if it were possible for the staff member or the profit-making business or other concern to benefit from such association or financial interest by reason of his or her position with the PDMA-PaRRSA.

5. Staff members shall not intentionally misrepresent their functions, official title or the nature of their duties to outside organizations or contractors or to any entities or persons external to the PDMA-PaRRSA.

D. Conflict of Interest:-

1. PDMA should develop and maintain a process for the recording of conflict of interest declarations. Records kept must include details of the action taken to manage the conflict of interest and should be auditable.

2. All members of a Procurement Office, Evaluation Committee or Procurement Committee, all staff involved in contract administration shall, prior to commencing any procurement activity or the approval of any procurement activity, sign a declaration to the effect that they have no relationship of the following types:

a) A marital or direct birth relationship with a bidder, its legal counsel or its officers;

b) During the last three years, has been an employee or officer of a bidder or held a financial interest in a bidder;

c) Is negotiating or has an arrangement concerning prospective employment in a bidder.

3. ***For a sample of conflict of interest form, please refer Annexure- I***. Any exception to completion of conflict interest form should be approved by DG PDMA.

E. Confidentiality:

According to **Rule 26 of Govt of Khyber Pakhtunkhwa Procurement of Goods, Works and Services Rules 2003**, **read with rule 15 sub-rule (2) of KP PPRA Act, 2012** the procuring entity shall treat proposals in such a manner as to avoid the disclosure of their content to competing bidders. Such as,

i). Information relating to the examination, evaluation, comparison, and post qualification of bids and recommendation of contract award, shall not be disclosed to Bidders or any other persons not officially concerned with such process until information on Contract award is communicated to all Bidders.

ii). Any attempt by a Bidder to influence the procuring entity in the evaluation of the bids or Contract award decisions may result in the rejection of its bid

iii). However, from the time of bid opening to the time of Contract award, if any Bidder wishes to contact the Procuring entity on any matter related to the bidding process, it may do so in writing.

iv). Any discussions, communications and negotiations between the procuring entity and a bidder shall be confidential. Unless required by law or by a court order or permitted by the request for proposals, no party to the negotiations shall disclose to any other person any technical, price or other information in relation to discussions, communications and negotiations without the consent of the other party.

F. Gifts and Hospitality:

It is of overriding importance that a staff member acting in an official procurement capacity should not be placed in a position where his/her actions may constitute or could be reasonably perceived as reflecting favorable treatment to an individual or entity by accepting gifts and hospitality or other similar considerations. Notwithstanding the applicable provisions of the Staff Regulations and Rules, no Procurement Section's

staff members involved in any aspect of procurement may accept any gift from any outside source that is soliciting business with the PDMA, regardless of the value. All staff members involved in procurement shall decline offers of gifts, including drinks, meals, tickets, hospitality, transportation, or any other form of benefits, even if it is in association with an "official working visit".

Any gifts offered must be returned by the recipient and the supplier/contractor must be informed that as per policy, procurement staff is not allowed to accept gifts.

A "zero tolerance" policy should govern the staff involved in the procurement activities.

H. Corrupt Practices:

The bidders, suppliers, contractors, and consultants shall observe the highest standard of ethics during the procurement and execution of such contracts.

In pursuit of this policy and for the purposes of this provision, the terms set forth below are defined as follows:

a. "Corrupt practice" refers to the offering, giving, receiving or soliciting (directly or indirectly) of anything of value to improperly influence the actions of another person. Corruption in the procurement process generally involves a fraudulent act such as bribery or a kickback. The list of definitions set forth below indicates the most common types of corrupt practices, but is not exhaustive:

b. "Fraudulent practice" or "fraud" means a misrepresentation of facts in order to influence a procurement or selection process or the execution of a contract to the detriment of a person(s), and includes collusive practices among bidders or consultants (prior to the submission of bids or proposals) designed to establish prices at artificial, non-competitive levels and to deprive other parties, including the organization of the benefits of free and open competition;

c. "Corrupt practice" or "corruption" means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the actions of another party in the procurement or selection process or in contract execution;

d. "Unethical Practice" means conduct that violates the provisions of conflict of interest and gifts and hospitality;

e. "Bribery": the act of unduly offering, giving, receiving or soliciting anything of value to influence the process of procuring goods, services or works, or executing Contracts.

f. "Extortion" or "Coercion": the act of attempting to influence the process of procuring goods, services or works, or executing Contracts by means of threats of injury to person, property or reputation.

g. "Collusion" or "Bid Rigging": a scheme of arrangement between two or more Vendors, with or without the knowledge of the PDMA-PaRRSA, designed to establish prices at artificially non-competitive levels.

h. Bid suppression: one or more Vendors who otherwise would be expected to bid, or who have previously bid, agree to refrain from bidding or withdraw a previously submitted Bid so that the designated winning competitor's Bid will be accepted.

A proposal for award shall be rejected if it is determined that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the contract in question.

A firm or individual shall be declared ineligible, either indefinitely or for a stated period of time, to be awarded a procurement contract if at any time it is determined that they have, directly or through an agent, engaged, in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a contract.

4.11 Detailed Procurement Procedures

Following detailed procedures developed in line with requirements of KP Procurement of Goods, Works and Services Rules 2003, Pakistan Engineering Council Guidelines and other applicable rules and regulations should be followed for all types of procurements:

A. ***Pre-Qualification of Suppliers/Contractors:***

A Pre-qualification is aimed at ensuring that only supplier/contractors, who have the required experience, technical and financial resources bid for a contract.
Pre-qualification screens potential bidders and is designed to provide the following benefits:

- Leading contractors and suppliers, particularly the reputable ones, are more likely to bid knowing that competition is confined to only those qualified.

- The scale of interest by potential bidders can be measured, affording the opportunity to revise bidding conditions as necessary to develop adequate competition.

- The evaluation of bids only from the qualified bidders may result in time and cost savings to PDMA-PARRSA, as well as a reduction (or elimination) of the threat of pressure being applied by marginally or unqualified bidders for their low prices to be considered.

Pre-qualification (Rule 07 KP PR-2003)

Contracts (Other than Development Works)

- Rs. 40,000 ----------Rs. 5,000,000
  (May called financial bids without Pre or Post Qualifications of Bidders.)

- Rs. 5,000,000/- Contacts exceeding 5 (M), the procuring agency may follow pre or post qualification procedure, as envisaged in the tender documents.

Contracts (Development Works)

- Rs. 40,000 ----------10,000,000/- (May called financial bids without Pre or Post-qualifications of bidders.)

- Rs. 10,000,000/- Contacts exceeding 10 (M), the procuring agency may follow pre or post qualification procedure, as envisaged in the tender documents

In the light of applicable threshold, contractors/suppliers shall be prequalified on the basis of technical expertise, past experience, qualification, personnel and financial strength. Notice inviting applications for pre-qualification of suppliers/contractors shall be published in at least two daily newspapers and at least 30 days time (any other time approved by competent authority considering the nature of emergency) should be allowed to applicants to respond to the advertisement.

In case of donor funded projects in disaster/conflicted affected areas of Khyber Pakhtunkhwa, the pre-qualification link with the threshold set forth for that specified project with specific requirement of procured items. If not defined than may deal as per prevailing rules and regulations applicable by the Govt of KP.

For procurements costing below the thresholds set above, local contractors/suppliers are invited to submit their bids, through Request for Quotation (RFQ). Pre-qualification is not required for such procurements. The procuring entity may follow pre or post qualification procedure in accordance with criteria as specified in the tender documents, under provision of Rules 07 of Govt of KP Procurement of Goods, Works and Services Rules 2003**.**
For a sample of Pre-qualification Form/Performa for contracts for development works, please refer annexure III(A).

For a sample of Pre-qualification Form/Performa for contracts other than development works, please refer annexure III (B)

Pre-qualification Performa may vary for different types of procurement. Procurement Committee may change or modify Performa as per requirement of items to be procurement and got approved by the Secretary RRS Department or DG PDMA-PaRRSA, as the case may be.

Procedure:

1) Pre-qualification Announcement

Where the Entity conducts a pre-qualification, it shall publish an invitation for pre-qualification notice, inviting all potential suppliers to submit applications for pre-qualification.

Invitation for pre-qualification of suppliers/vendors and contractors shall contain at least:

a) The name, address and contact details of the Entity;

b) An outline of the procurement requirement, including the nature and quantity of goods, works or services and the location and timetable for delivery or performance of the contract;

c) A statement of the key requirements and criteria for pre-qualification;

d) Instructions on obtaining the pre-qualification documents, including any price payable/tender documents fee and the language of the documents; and

e) Instructions on the location and deadline for submission of applications for pre-qualification.

The invitation for pre-qualification of suppliers/vendors/contractors shall be published in accordance with **Rule 13 Govt of Khyber Pakhtunkhwa Procurement of Goods, Works and Services Rules 2003.**
For a sample of NIT for development works, please refer annexure III.

2) Pre-qualification Documents

The Procurement Section shall promptly issue pre-qualification documents to all applicants who request them and meet the terms and conditions given in notice for pre-qualification. The procurement section shall maintain a record of all applicants to whom pre-qualification documents are issued. The said record may include, name of firm, name of authorized person to whom document is issued and signature of receiving person.

The Pre-qualification Document shall contain all the information required by applicants to prepare and submit pre-qualification documents and shall include at least:

a) The name, address and contact details of the Entity;

b) Details of the procurement requirement, including the nature and quantity of goods, works or services and the location and timetable for delivery or performance of the contract;

c) The qualification criteria in accordance with KP Procurement Rules, 2003, Guidelines for the selection of consultants July 2001 by KP P&D Department and PEC Standard procedure of Pre-qualification of Constructors.

d) Instructions on the preparation of pre-qualification documents, including any standard forms to be submitted and the documentary evidence and information required from bidders;

e) Instructions on the ceiling, labeling and submission of applications for pre-qualification, including the location and deadline for submission of documents; and

f) Information on how applications will be evaluated.

As the Procurement of PDMA are of emergency nature, so the entity shall allow a time based on the nature of emergency and approved by competent Authority, while a time of (6 to 08 weeks) shall be allowed for PaRRSA activities, to enable suppliers/vendors/contractors to prepare and submit their application and pre-qualification documents.

In case where the proposed procurement is of highly complex and technical nature, more time shall be allowed for the submission of pre-qualification documents. The time allowed shall be approved by the competent authority. However for large/complex projects the period may be extended up to twelve (12) weeks.

The Procurement Committee shall promptly respond to all requests for clarification, within 10 to 14 working days of receipt of query/clarification. It is pertinent to mentioned that all respective bidders may send their queries prior to 15 days from deadline of submission of documents.

Responsibility

For Relief Procurements, procurement committee shall be responsible for carrying out pre-qualification process including the evaluation of applications for pre-qualification.

For administrative procurements, Director HR & Admin with assistance from Dy. Director Relief and Dy. Director Reconstruction shall be responsible for carrying out the pre-qualification process with approval from DG PDMA.

3) Initial/Preliminary Eligibility Check

For pre/post qualification and/or for selection of responsive suppliers/vendors/contractors for any kind of procurement, the responses received must be screened through preliminary eligibility check. In eligibility check, a pre-defined criteria shall be prepared by the Procurement Committee with the approval of the Director General PDMA-PaRRSA. Preliminary eligibility check may be defined as follows

- Bids/applications are sealed, signed, duly stamped, received on time and through proper channel;
- Bid validity period (in case of post qualification);
- Submission of required documents;
- Certifications as required in the advertisement;
- Call deposit as per the applicable rules and regulations (If any);
- Tender fee and stamp duty must also be deposited in the shape of bank draft (If any).

A responsive or non-responsive criteria is considered at the initial screening stage. If the requisite numbers of suppliers/vendors/contractors are not meeting the required criteria, Procurement Section shall re-advertise the process. Source selection information form can be modified according to the nature of procurement after getting approval from Competent Authority.

4) Evaluation of Applications

After initial eligibility check, applications and pre-qualification documents shall be evaluated by the Procurement Committee or any other person(s) authorized by the competent authority for evaluation of applications for pre-qualification on a responsive or non-responsive basis against the criteria in the pre-qualification document. Evaluation Committee should be approved by DG PDMA-PaRRSA and notified accordingly with circulation to all members/secretary.

The Procurement Committee or person(s) evaluating the applications shall prepare a record of its evaluation of applications, which shall clearly state which applicants were determined to be qualified and the reasons why the rejected applicants were determined to be not qualified.

The results of the pre-qualification, including the record of the evaluation of applications, shall be sent to the Procurement Committee for review and recommendation to the Competent Authority for approval.

The Entity shall promptly notify each supplier/vendor/contractor submitting an application for pre-qualification on the outcome of pre-qualification proceedings and shall make available to any member of the general public, upon request, the names of all suppliers/vendors/ contractors that have been prequalified.

Only suppliers/vendors/contractors that have been pre-qualified are entitled to participate further in the procurement proceedings.

5) Pre-Qualification for a Group of Contracts

Where pre-qualification is conducted for a group of contracts, the procedure for pre-qualification shall be in accordance with the provisions of this section, except that:

a) The invitation to pre-qualification notice and the document shall state the time period covered by the pre-qualification and details of the estimated number, value and timing of contracts;

b) A limit on the number or total value of contract awards to a bidder may be made, on the basis of their qualifications category;

c) The list of pre-qualified bidders shall be updated periodically; and

d) Pre-qualification information shall be verified prior to contract award.

B. Notice Inviting Tenders:

Tenders shall be invited from suppliers/vendors/contractors through NIT which is published in at least two dailies (Urdu and English). The NIT is published by Directorate of Information of the GoKP on the request of the procuring entity. Information Department will send the advertisement (NIT) to the newspapers according to its policy.

Standard bidding documents shall be promptly issued to the applicants who meet the terms and conditions given in the NIT and on the prescribed fee and charges as are applicable in accordance with prevailing government rules and regulations.

For a Sample form of Tender, please refer annexure IV (A, B & C) for Works, Goods and Services respectively). These forms can be amended by the Procurement Committee according to the nature of procurement after getting approval from DG PDMA-PaRRSA.

Invitation to tender notices shall contain at least:

a) The name, address and contact details of the Entity;

b) The nature of the procurement requirement, including the quantity of goods, works or services and the location and timetable for delivery or performance of the contract;

c) An indication of the procurement method being used;

d) A statement of any key technical requirements, qualification requirements and evaluation criteria, such as a requirement for the provision of local after-sales services or the application of a margin of preference;

e) Instructions on obtaining the bidding documents, including any price payable;

f) Information as to any applicable bid-security requirement; and

g) Instructions on the location and deadline for submission of bids.

Where the funds to pay for the procurement have not yet been allotted, under the procedure in Para 178 GFR, this shall be prominently stated in the invitation to tender notice. However, the said statement should be written in such a manner, not to discourage the bidders to participate in tendering process.

C. *Instructions for Inviting Tenders:*

Before inviting tenders from suppliers/vendors/contractors, PDMA shall ensure that tender notice is developed by the Deputy Director Procurement Reconstruction and/or Deputy Director Procurement Relief based on the instructions for inviting tenders and approval by the Director HR and Admin.

In case of PaRRSA, tender notice is developed by Procurement Specialist based on the instructions for inviting tenders and approved by the Director General, PDMA-PaRRSA.

The bidder shall submit the bid signed, and accompanied by a power of attorney, if so required, in the required number of copies and in a sealed envelope, as prescribed in the bidding documents. Bidders shall submit their technical and financial proposals enclosed in a single envelope, in the manner prescribed in the bidding documents. The bidder may also provide a bid bond in the shape of a bank draft or bank guarantee if required in the tender (NIT).

For detail instruction for inviting tenders, please refer annexure IX.

D. *Tender Opening and Evaluation:*

Bids submitted by suppliers shall be opened and evaluated by tender opening and evaluation committee which is appointed by the competent authority. Following procedure shall be followed:

1. Receipt of Bids

The Procurement Section shall make arrangements for the receipt and safe custody of bids until the deadline for submission of bids, which may include:

a) The use of a bid box, in which bidders are responsible for depositing their bids directly and which shall remain locked until the time for bid opening; or where bid box is not used, bids can be received by procurement section by hand, till closing of bid receipt time, which should be pre-defined in the NIT and bidding document issued.

b) Receipt of bids by staff of the Procurement Section, who shall be responsible for issuing signed receipts, showing the precise date and time of receipt and keeping bids in a secure location until the time for bid opening.

Where the Procurement Section is receiving bids and issuing receipts, it shall maintain a record of all bids received, indicating the name of each bidder, the date and time of receipt and the name of the person responsible for receipt.

Bids shall only be received electronically, or by any means which do not permit sealed bids, where authorized by the Director General PDMA-PaRRSA. In case of electronic bids, bidders should send their offers to a dedicated email notified by PDMA-PaRRSA.

The Entity shall not be held liable for the loss or delay in delivery of any bid delivered by mail or courier.

Procurement Section shall ensure that appropriate staff is available at the location for submission of bids or that bidders have access to the bid box, for a reasonable period of time prior to the deadline.

The Entity shall not disclose the number or identity of bids received, prior to the bid opening, other than to public officials who require the information as part of their official duties.

2. Bid Closing

Receipt of bids shall be closed at the precise date and time of the deadline for submission of bids stated in the notice inviting tenders. Where a bid box is used for the receipt of bids, the Procurement Section/Committee shall ensure that the bid box is properly sealed before depositing of bids in the bid box. The bid box will be unsealed/opened at the time of opening in the presence of bidder those may like to attend the bid opening on the last date for submission of bids as well as opening, which shall be the same.

Procurement Section shall assign a suitable and experienced staff to manage the bid closing.

Bid(s) received after the deadline for submission of bids shall not be accepted, but shall be declared late.

Late bids shall be labeled as late, stating the date and time of receipt and shall be returned unopened to the bidder. Any late bid which is not labeled with the bidder's name shall be left unopened and destroyed.

Immediately after the bid closing, bid box or bids received shall be taken to the location for bid opening.

3. Public Opening of Bids

The tender opening and evaluation committee as nominated by the competent authority shall open in public all bids received on time at the date, time and location indicated in the bidding documents. The time for bid opening shall be the same as, or immediately after, the time of the deadline for submission of bids. Bids will be opened after 30 minutes of closing receipt time of bids. For example if the submission time of Bid is 11:00 a.m., the opening time should be 11:30 a.m. in case of public opening.

Procedure for Bid Opening:

I. In case of Public opening, the following steps shall be followed:

a). All the Representatives of bidders/suppliers should signed the attendance sheet i.e. comprising information such as, Firm/Supplier Name, Name of Representative, Contact Number and Representative Signature.

b). All members of the procurement committee should signed outer Envelope of bids.

c). Bids shall be opened by the committee in front of firm/supplier who may like to attend the bid opening. Member/Security of the Procurement Committee will announce Read out Prices of Bids along with amount of earnest money (if applicable).

d). All members of the Procurement Committee should signed all opened bids and also circle the readout price of bid at the time of opening.

d). Bid opening statement dully signed by the Procurement Committee shall make a record of the bid opening, which shall be

kept as part of the procurement record. The record shall include at least:

i). The name of all bidders whose bids were opened;

ii). The presence or absence of a bid security, if one was required; Bid Opening Committee shall also calculate the bid security/earnest money, and make sure that the said security shall not be below the required % of offered price, as envisaged in the tender document. If below, or bid without required security, the said specific bid should be rejected by the procuring entity and declared as Non-Responsive.

iii). Total price of the bid, including the currency and amount and any discounts offered, except where the opening is of technical bids only; and

iv). Validity period of bid should be checked and if not in accordance with the tender requirements, then the said bid will be declared as Non-Responsive and cannot be accepted for further evaluation.

e). Opened bids shall immediately be taken to a secure location, where they shall be kept until the evaluation begins.

f). the tendering proceedings shall be cancelled on the sole ground that is particular minimum number of bids have not been received under rule 33 (Modes of procurement) of GoKP procurement rules, 2003.

II. In case of an RFQ or limited tendering, where public opening is not usually required

All the above procedures should be followed by the Procurement Committee except attendance sheet of Representative, as this is not a public opening.

4. Evaluation of Bids

A. Confidentiality and Integrity of Bid Evaluation

After opening of the bids, and until notice has been given to the successful supplier of the selection of its bid for award, no bidder shall make any unsolicited communication to the Entity or try in any way to influence the Entity's examination and evaluation of bids.

Information relating to the examination, clarification, evaluation and comparison of bids shall not be disclosed to bidders or to any other person not involved officially in the process or in the decision

on which bid should be accepted, except as provided in the Law and these Rules.

B. Tender Evaluation Committee

A tender evaluation committee shall be appointed by the competent authority for each procurement requirement whose estimated value exceeds the threshold prescribed in **Rule 23 of Govt of KP Procurement of Goods, Works and Services Rules 2003** i.e. Tender Accepting Authority shall constitute the Tender Evaluation Committee, where the value of tender exceeds rupees five (Rs. 5) million.

The tender evaluation committee shall be responsible for the evaluation of bids and preparation of an evaluation report with recommendations for submission to the competent authority for approval.

The number and level of members of the tender evaluation committee shall depend on the value and complexity of the procurement requirement, but shall in all cases be a minimum of three members.

The tender evaluation committee shall include skills, knowledge and experience relevant to the procurement requirement, which may include:

a) Technical skills relevant to the procurement requirement;

b) End user representation;

c) Procurement and contracting skills;

d) Financial management or analysis skills; or

e) Legal expertise.

Where no tender evaluation committee is appointed/required, the evaluation shall be conducted by tender opening committee or any other person as assigned by the competent authority.

C. Evaluation Methodology and Criteria

The methodology for the evaluation of bids shall consist of:

a) A comparison of each bid to the technical requirements of the description of goods, works or services on the basis, to determine whether the bids are substantially responsive;

b) Determination of bids with the lowest evaluated cost.

Where appropriate, the Entity may include evaluation criteria in the bidding documents, which shall be taken into account in determining the evaluated price of each bid. Such evaluation criteria shall be related to the performance, characteristics or terms and conditions of a bid, such as delivery or completion schedule, payment schedule, the cost of spare parts or after sales service, operating or maintenance costs or the productivity of equipment.

The bidding documents shall state the methodology for calculating and applying the adjustment to the bid price.

D. Correction of Non-Conformities, Errors and Omissions

Where a bid is substantially responsive, the Entity may waive, clarify or correct any nonconformity, error or omission, which does not constitute a material deviation.

The non-conformity, error or omission shall be quantified in monetary terms to the extent possible and taken into account in the financial evaluation and comparison of bids.

The Entity may correct purely arithmetical errors in bids in accordance with the procedure stated in the bidding document.

Bidders shall be notified of any arithmetic corrections and requested in writing, to agree to the correction.

Any bid of a bidder who does not accept the correction of an arithmetical error shall be rejected and its bid security may be forfeited.

On the basis of said correction "**a Comparative Statement"** after arithmetic check should be prepared and the said statement should also indicate the effect of error on quoted price and also change in ranking position.

E. Clarification of Bids

The Entity may seek clarification from a bidder of its bid. The request and the clarification shall only be in writing. The request for clarification shall not seek and the bidder shall not be permitted to:

a) Amend its bid price, except to accept the correction of arithmetic errors;

b) Change the substance of the bid; or

c) Substantially alter anything which is a deciding factor in the evaluation.

Any clarification received, which is not in response to a request from the Entity, shall not be taken into account. Failure of a bidder to respond to a request for clarification may result in the rejection of its bid.

F. Preliminary Examination

The tender evaluation committee shall conduct a preliminary examination to determine whether bids are complete and are responsive to the basic instructions and requirements of the bidding document/notice inviting tenders. The preliminary examination shall determine whether:

a) The bid has been submitted in the correct format;

b) Any required bid security has been submitted, in the correct form and amount and valid for at least the period required;

c) The bid has been submitted without material reservations or deviations from the terms and conditions of the bidding document;

d) The bid has been correctly signed and authorized;

e) The correct number of copies of the bid have been submitted;

f) The bid is valid for at least the required period;

g) All key documents and information have been submitted;

h) Any required samples have been submitted; and

i) The bid meets any other key requirements of the bidding document.

Any deviations, which are considered to be material deviations, shall result in rejection of the bid and such bids shall not be subject to technical evaluation. Deviations which are considered to be non-material shall not result in rejection of the bid.

G. Assessing Responsiveness of Bids

The Entity's determination of a bid's responsiveness shall be based on the contents of the bid itself, subject to any clarifications received pursuant to **Rule 27** of Govt of KP Procurement of Goods, Works and Services Rules 2003.

A substantially responsive bid is one which confirms to all the instructions, requirements, terms and conditions of the bidding documents, without material deviation, reservation or omission.

A material deviation, reservation, or omission is one that:

a) Affects in any substantial way the scope, quality, or performance of the works, services or supplies specified in the bidding documents; or

b) Would limit in any substantial way, inconsistent with the bidding documents, the Entity's rights or the bidder's obligations under any resulting Contract; or

c) If corrected would unfairly affect the competitive position of other bidders presenting substantially responsive and compliant bids.

Any bid which contains a material deviation, reservation or omission, and is therefore not substantially responsive, shall be rejected and may not subsequently be made responsive by the bidder or the Entity.

The classification of a deviation, reservation or omission as material or non-material shall be determined by the objectives and requirements of the individual procurement requirement, as stated in the bidding document, and shall take into account the impact on key factors, such as cost, risk, time and quality.

Material deviations, reservations or omissions may typically include:

a) Unacceptable time schedule, where it is stated in the bidding document that time is of the essence;

b) Unacceptable alternative technical details, such as design, materials, workmanship, specifications, standards or methodologies; or

c) Unacceptable counter-proposals with respect to key contract terms and conditions, such as payment terms, price adjustment, sub-contracting or warranty.

Classification of deviations, reservations and omissions as material or non-material shall be consistently applied to all bids.

H. Technical Evaluation

The tender evaluation committee shall conduct a technical evaluation by comparing each bid to the technical requirements of

the description of goods, works or services in the bidding documents, to determine whether the bids are substantially responsive.

The technical evaluation shall determine whether bids are, or are not, substantially responsive to the technical standard defined in the bidding documents and shall not be used to assess the relative quality of bids or to award points in any way.

The factors taken into account shall be those indicated in the bidding document only and may include but not be limited to:

a) Conformity to specifications, standards, drawings or terms of reference, without material deviation or reservation;

b) Satisfactory understanding of an assignment, as demonstrated by any methodology or design; or

c) Suitable staffing or arrangements for supervision or management of an assignment.

The evaluation shall not take into account any requirements which were not included in the Bidding Document.

Any material deviations shall result in rejection of the bid and such bids shall not be subject to financial evaluation and comparison.

Non material deviations may be corrected.

I. Financial Evaluation and Comparison

The tender evaluation committee shall conduct a financial evaluation and comparison to determine the evaluated price of each bid and determine the lowest evaluated bid, which is substantially responsive to the requirements of the bidding documents (rather than simply identifying the bid with the lowest bid price).

The evaluated price for each bid shall be determined by:

a) Taking the bid price, as read out at the bid opening;

b) Correcting any arithmetic errors, in accordance with the methodology stated in the bidding documents; However, in any case arithmetic errors should be corrected (rather than methodology stated in the bidding document or not).

c) Applying any non-conditional discounts offered in the bid;

d) Evaluation of commercial terms, including payment terms, delivery / completion period, cost of required spare parts; and

e) Making an appropriate adjustment for any other acceptable variation or deviation in accordance with Evaluation Criteria.

The addition or subtraction of all the above costs determined in accordance with the pre-disclosed criteria will then be applied to the quoted price to arrive at the evaluated cost of the bids, which are then compared to identify the bid with the lowest evaluated cost, subject to the application of a margin of preference for domestic goods and bidders, if one is applicable.

Bids shall be compared by ranking them according to their evaluated cost and determining the bid with the lowest evaluated price.

Where the bidding document included more than one lot and permitted bidders to offer discounts, which were conditional on the award of one or more lots, the Bids Evaluation Committee shall conduct a further financial evaluation, to determine the lowest evaluated combination of bids.

J. Bid Evaluation Reports and Recommendations

The Bids Evaluation Committee shall prepare a bid evaluation report (BER). The bid evaluation report shall be submitted to the Competent Authority.

The bid evaluation report shall include:

a) A summary of the bids received and opened;

b) The results of the preliminary examination;

c) The results of the technical evaluation;

d) Reasons why bids were declared non-responsive;

e) Details of any non-material deviations, which were accepted and the way in which they were quantified and taken into account in the financial evaluation;

f) The evaluated price of each bid, showing any corrections or adjustments to the bid price and any conversion to a common currency;

g) The ranking of the bids, according to their total evaluated price;

h) A statement of the lowest evaluated substantially responsive bid, for each lot where applicable;

i) A summary of the application of any conditional discounts and the lowest evaluated combination of bids, where applicable;

j) The results of any post-qualification;

k) A recommendation to award the contract or contracts to the lowest evaluated responsive bidders) or combination of bidder(s), or other appropriate recommendation, such as the cancellation of the procurement process.

The bid evaluation report and recommendations shall be approved by the appropriate Competent Authority, prior to award of contract. After approval Letter of Acceptance will be issued to successful bidder (s***).***

A sample for Acceptance letter to pre-qualified firm, please refer to Annex-VI

5. Section B "Procurement of Consultancy Services"

PDMA-PaRRSA will plan their annual procurement plan for procurement of services as defined in details in section 3.5 of Manual. The following six main principles need to be considered during selection process of consultants:

i) High-quality services;
ii) Value for money/economy and efficiency;
iii) Fair and open competition among the eligible and qualified consultants;
iv) Transparency in the selection process;
v) Accountability; and
vi) focus on the code of ethics (conflict of interest).

Procurement requisition for Services
Every procurement requisition for the procurement of services shall be accompanied by a complete, precise and unambiguous description of the services required. This description shall consist of terms of reference, which shall include, where appropriate:

(a) A background information of the required services;

(b) The objectives of services and targets to be achieved;

(c) A list of specific tasks or duties;

(d) Deliverables or outputs for the assignment;

(e) The role, qualifications or experience required for any key staff;

(f) Management and reporting lines for the supplier, including administrative arrangements and reporting requirements;

(g) Any facilities, services or resources to be provided by the Entity;

(h) Inspection or quality testing requirements or indicators of successful performance; and

(i) The duration or completion schedule.

5.1 Procedure for the Selection of Consultant

This section of manual will guide detailed selection procedure and methods for procurement of services. All procurements related to consultancy services will follow as per procedure defined in this section. However, the Guidelines for the Selection of Consultants July 2004 developed by the Planning and Development Department – Govt of KP will be followed for any further clarification/procedures.

A) Invitation of Expressions of Interest

A.1) Notice inviting Expressions of Interest

For short listing of consultants/consulting firms, profiles containing the requisite documents/information shall be invited through

Expression of Interest drafted and published in accordance with the requirements of PDMA-PaRRSA.

The EOI notice shall be contain at least:

a) Details of the Scope of Assignment;

b) A statement of the criteria for short-listing, which shall be related to the consultants experience, qualifications, personnel and any other factor related to their ability to successfully perform the assignment;

c) Details of the information to be included in the expression of interest, including any information or documentation required to verify the consultants' eligibility or qualifications;

d) The date, time and address for submission; and

e) Any special instructions on sealing, marking or submission of expressions of interest.

Deadline for submission of expressions of interest for PDMA shall be based on the nature of emergency and approval from competent authority, while for PaRRSA it shall be between 6 to 08 weeks.

A.2) Evaluation of Expressions of Interest and Development of Shortlists

The profiles and documents/information submitted by consultants /consulting firms shall be evaluated using the criteria stated in the notice inviting expression of interest. A record of the evaluation shall be maintained.

Where the number of suitable consultants is greater than the number of consultants to be included on the shortlist, the consultants who best meet the Entity's requirements shall be included on the shortlist.

The shortlist shall include sufficient consultants to ensure effective competition. However in no case, less than three consultants or consultancy firms shall be shortlisted.

Consultants shall not be included unless they are expected to fully satisfy the Entity's requirements, including those related to eligibility, qualifications, capacity, resources and experience.

The Consultants included in the shortlist shall not have the same ownership.

The results of the evaluation of the expressions of interest and/or the proposed shortlist shall be approved by the Competent Authority, prior to issue of the Invitation for Proposals.

5.2 Invitation of Proposals

5.2.1) Contents of Request for Proposals

The Request for Proposals shall include all information necessary to enable consultants to participate in the procurement proceedings and to submit proposals that are responsive to the needs of the Entity. In particular, the Request for Proposals shall include:

a) Information relating to eligibility criteria , including restrictions relating to conflict of interest;

b) An explanation of the selection procedure to be applied in evaluating proposals, in accordance with section "Choice of Selection Procedure;

c) The type of contract to be awarded;

d) The terms and conditions of contract which will apply; and,

e) Information on the Consultants right to appeal under the administrative review process and on the Government's policy on fraud and corruption, including the debarment of consultants.

5.2.2) Choice of Selection Procedure

The Entity shall select the most appropriate selection procedure to be used to evaluate proposals and shall state the selection procedure in the Request for Proposals.

The selection procedure shall be either;

a) Quality and Cost Based Selection (QCBS), which takes into account both the quality and the cost of proposals and selects the proposal which offers the optimum balance of quality and cost;

b) Quality Based Selection (QBS), which focuses on quality and selects the highest quality proposal;

c) Fixed Budget Selection (FBS), which selects the highest quality proposal, which is within the entity's pre-disclosed budget; or

d) Least Cost Selection (LCS), which selects the lowest priced proposal, which meets the entity's technical requirements.

Quality Based Selection may be used for:

a) Highly specialized assignments, where it is difficult to define precise terms of reference and inputs and Consultants are expected to demonstrate innovation in their proposals; or

b) Assignments which will have a high downstream impact and the Entity wishes to contract the best consultant; or

c) Assignments that can be carried out in substantially different ways and where the value of the services depends on their quality. By conducting, possibly with the assistance of an individual consultant, a more detailed analysis prior to inviting proposals on a quality basis, the Entity may be able to better define the budget, work method or specific outcome expected from the assignment to be completed.

Fixed Budget Selection may be used for assignments, which are simple, can be precisely defined and where the budget is fixed.

Least Cost Selection may be used for assignments of a standard or routine nature, where well-established practices and standards exist.

5.2.3) Submission of Proposals for Consultancy Services

The Request for Proposals shall require consultants to submit separately sealed technical and financial proposals, both sealed in an outer envelope.

Where the selection procedure is Quality Based Selection, Consultants may only be required to submit a technical proposal only at initial stage however financial proposal will be required from the highest technical scorer to be submitted at a later date.

The time period provided for submission of proposals shall be **from 20 to 30** working days after the date of issue of the request for proposals.

5.2.4) Evaluation Criteria for Consultancy Services

The Request for Proposals shall state the evaluation criteria to be applied during the technical evaluation.

The evaluation criteria shall be designed to assess the ability of Consultants to:

a) Perform the assignment, through assessment of their experience, methodology or personnel, or

b) Meet objectives of the assignment, such as the transfer of knowledge or involvement of national consultants in the assignment.

Each criterion shall be allocated a maximum number of points and the total for all criteria shall equal to 100. The number of points allocated to each criterion shall be directly related to its importance to the procurement, except that the points allocated to experience may be limited, where experience has already been taken into account in the development of the shortlist.

The Request for Proposals may also include sub-criteria to provide further guidance on the allocation of points under each main criterion.

Where appropriate, a proportion of points may be allocated to the performance of Consultants, or their key staff, in interviews, provided that the application of such criterion, and its weight, are disclosed in the request for proposals.

5.2.5) Issue of Invitation/Request for Proposals

The Request for Proposals document shall be approved by the Competent Authority, prior to its issuance.

The Invitation/Request for Proposals shall be issued to all shortlisted consultants at the same time and a record of the issue of the documents shall be maintained.

5.2.6) Clarification and Amendment of Request for Proposals

The Request for Proposals shall state that a Consultant may seek clarification of the Request for Proposals: such clarification may be sought in writing 15 working days prior to the submission of proposals.

Where a request for clarification is received, the Procurement Committee shall provide a clarification in writing within 10 days after receipt of the request. The clarification shall be copied to all consultants and shall include a description of the inquiry, but without identifying the source of the request.

At any time prior to the deadline for submission of proposals, the Entity may, either at its own initiative or in response to a request for clarification from a Consultant, amend the Request for Proposals by issuing an addendum. The amendment shall be authorized by the Competent Authority.

Any addendum shall be issued in writing and the same information shall be provided to all Consultants at the same time. All addenda shall be numbered sequentially.

All clarifications and addenda to the Request for Proposals shall be binding on consultants.

5.2.7) Extension of Proposal Submission Period

To give Consultants reasonable time in which to take a clarification or addendum into account in preparing their proposals, the Entity may at its discretion, extend the deadline for the submission of proposals through the issue of an addendum. The extension of proposal submission time shall be authorized by Competent Authority.

5.3 Receipt and Opening of Proposals

5.3.1) Receipt of Proposals

The Procurement Section shall make arrangements for the receipt and safe keeping of proposals until the deadline for submission of proposals, which may include:

a) The use of a Proposal Box, in which consultants are responsible for depositing their proposals directly and which shall remain locked until the time for proposal opening; or

b) The receipt of proposals by staff of the Procurement section who shall be responsible for issuing signed receipts, showing the precise date and time of receipt and keeping proposals in a secure location until the time for proposal opening.

Where any proposal is too large for the proposal box, the Procurement Section shall receive and keep the proposal in save custody.

Where the Procurement section is receiving proposals and issuing receipts, it shall maintain a record of all proposals received, indicating the name of each consultant, the date and time of receipt and the name of the person responsible for receipt.

The Entity shall not be held liable for the loss or delay in delivery of any proposal delivered by mail or courier.

The Procurement section shall ensure that appropriate staff is available at the location for submission of proposals or that consultants have access to the proposal box, for a reasonable period of time prior to the deadline.

The Entity shall not disclose the number or identity of proposals received, prior to the proposal opening, other than to public officials who require the information as part of their official duties.

5.3..2) Deadline for Submission of Proposals

The Procurement section shall ensure that proposal submission is closed at the precise time and date of the submission deadline and shall ensure that no further proposals are received or that the proposal box is sealed.

Any proposal received after the deadline shall not be accepted, but shall be declared late, labeled as such and returned to the consultant unopened.

Follow the deadline for submission of proposals, the procurement section shall ensure that all proposals are kept securely and taken immediately to the location for the proposal opening.

5.3.3) Opening of Technical Proposals

The Procurement Committee shall open the technical proposals immediately after the deadline for submission of proposals.

5.3.4) Record of Opening

The Procurement Committee shall maintain a record of the proposal opening, which shall form part of the procurement record.

5.4 Technical Evaluation of Proposals

5.4.1) Evaluation Committees

The procuring authority shall establish an Evaluation Committee to conduct the evaluation of proposals.

The Evaluation Committee shall have a minimum of three members, with appropriate skills and experience for the type, value and complexity of the procurement requirement.

The Evaluation Committee shall prepare an Evaluation Report, with recommendations, duly signed by all committee members for submission to the competent authority for approval.

5.4.2) Preliminary Examination

The Evaluation Committee shall conduct a preliminary examination to determine whether proposals are complete and responsive to the basic instructions and requirements of the

Request for Proposals. The preliminary examination shall determine whether:

a) The proposal has been submitted in the correct format;

b) The proposal has been submitted without material reservations or deviations from the terms and conditions of the Request for Proposals;

c) The proposal has been correctly signed and authorized;

d) The correct number of copies of the proposal have been submitted;

e) A separately sealed financial proposal has been submitted, if required;

f) The proposal is valid for the required period;

g) CVs have been correctly signed, if required;

h) All key documents and information have been submitted; and

i) The proposal meets any other key requirements of the Request for Proposals.

Any material deviations shall result in rejection of the proposal and such proposals shall not be subject to technical evaluation.

5.4.3) Evaluation and Selection

Any award by the Entity shall be made to the consultant whose proposal best meets the needs of the Entity as determined in accordance with the criteria and methodology for evaluating the proposals and final selection procedures set forth in the request for proposals.

The evaluation of the proposals shall be carried out in two stages: first quality, and then cost. Evaluators of technical proposals shall not have access to the financial proposals until the technical evaluation, including any other reviews and approval, is concluded. Financial proposals shall only be opened thereafter.

The criteria for assessment of the technical proposals may include:

a) The consultant's relevant experience for the assignment,

b) The quality of proposed methodology,

c) The qualifications of key staff proposed,

d) Transfer of knowledge, if required in the Terms of Reference, and

e) The extent of participation by nationals among key staff in the performance of the assignment, in the case of international competition.

Each of the criteria shall be assigned a weight, in accordance with the applicable instructions and manuals. The general criteria shall normally be divided into three sub-criteria which should be limited to what is essential to conduct the evaluation.

A record of the evaluation of each proposal and the comparison between them shall be maintained by the Procuring Entity, and shall be reflected in an overall evaluation report.

5.4.4) Scoring of Proposals for Technical Evaluation

Each member of the Evaluation Committee shall independently conduct a technical evaluation of each proposal, awarding scores against each criterion. These scores shall be recorded and the score sheets signed by the evaluators.

Scores from each member of the Evaluation Committee shall be compiled and an average score calculated for each proposal.

The Evaluation Committee shall consider any significant deviations from the average score or inconsistencies in scoring and evaluators may be required to justify the scores awarded. Where an evaluator has misunderstood a proposal or the criteria or has evaluated proposals in an inconsistent manner, the evaluator may be permitted to adjust his scores, but no evaluator shall be obliged to make adjustments to his scores or to adjust scores without justification. Where any score is adjusted, the original score sheet shall be kept as part of the record of the evaluation, the adjusted scores recorded on a new score sheet and the reasons for making adjustments shall be recorded.

The average score for each proposal shall be its total technical score for evaluation purposes.

5.4.5) Technical Evaluation Report and Retention of Evaluation Records

The Evaluation Committee shall prepare a Technical Evaluation Report, which shall include:

a) Minutes of the opening of technical proposals;

b) The results of the preliminary examination, with reasons if any proposals were rejected;

c) The technical scores awarded by each evaluator for each proposal;

d) A summary of the relative strengths and weaknesses of each proposal;

e) An analysis of any significant discrepancies or inconsistencies in scoring and an explanation of any adjustments made to scores;

f) The total technical score for each proposal;

g) A list of the proposals which reached the minimum technical qualifying mark and a recommendation to open the financial proposals of those consultants;

h) A recommendation to reject all those proposals which did not reach the minimum technical qualifying marks/scores; and

i) In case of Quality Based Selection, the ranking of technical proposals and a recommendation to open the financial proposal of the consultant(s) that submitted the highest ranked technical proposal.

The Technical Evaluation Report shall be submitted to the appropriate authority for approval, prior to proceeding with the opening and evaluation of financial proposals or the rejection of any proposals. The Technical Evaluation Report shall be included in the overall evaluation report.

All records relating to the evaluation, such as individual mark/score sheets, shall be retained until completion of the project and its audit.

5.4.6) Notification of Results of Technical Evaluation

Following approval of the Technical Evaluation Report by the Award Authority, the Procurement Committee shall notify the consultant or consultants, whose proposals are proceeding to the financial evaluation, of the date and time set for the opening of financial proposals. The opening date shall not be sooner than 7 working days after the notification date.

The financial proposal of all consultants whose technical proposal obtained pass marks/scores shall be publicly opened and evaluated. The successful consultant(s) shall then be selected using the selection method and then invited for negotiations.

When using the Quality Based Selection method, the financial proposal of the consultants whose technical proposals scored the highest marks alone shall be opened and evaluated.

In the case of Quality Based Selection where only technical proposals have been submitted, the Procurement entity shall notify the consultants who achieved the highest technical scores.

At the same time, the Entity shall notify those Consultants whose proposals were unsuccessful, indicating that their technical proposals rejected and that their financial proposals will be returned unopened after completion of the selection process.

Please refer to Annexure-VII for Technical Evaluation Criteria

5.5 Financial Evaluation of Proposals

5.5.1) Financial Proposal Opening

The Procurement Committee shall open the recommended financial proposal or proposals at the time, date and location notified to Consultants. Their representatives shall be permitted to attend and witness the financial bid opening.

Key pages of the financial proposals shall be initialed by the chairman as well as all member of the Procurement Committee and the following information read out and recorded:

a) Names of the Consultants;

b) The Consultants' total technical score; and

c) The total proposal price. The price shall be circled in ink and page(s) initiated by the all members of procurement committee.

d) A record of the corrections noticed at the time of bid opening shall be maintained.

e) All bidders in attendance shall sign an attendance sheet

The opened financial proposals shall be taken immediately to a secure location, where they shall be kept until the financial evaluation begins. The Procurement Section shall maintain a record of the financial proposal opening, which shall form part of the procurement record.

Minutes of the session shall be signed by all the members of the Procurement Committee, and made available upon request to any Consultant that submitted a proposal.

5.5.2) Financial Evaluation for Quality and Cost Based Selection Methods

The Evaluation Committee shall determine the evaluated price of each proposal by:

a) Correcting any arithmetic errors;

b) Determining whether financial proposals are complete and have cost all corresponding inputs in the technical proposal.

c) The lowest priced proposal shall be given a financial score out of one hundred and other proposals shall be given a financial score which is inversely proportional to the lowest evaluated price, using the methodology stated in the Request for Proposals.

The technical and financial scores of each proposal shall be weighted, using the weights stated in the Request for Proposals.

The weighted technical and financial scores shall be added together, to give a total score for each proposal.

The proposal with the highest total score, in accordance with the criteria and their weight as disclosed in the request for proposals, shall be recommended for award of contract, subject to any negotiations, if required.

5.5.3) Financial Evaluation for Quality Based Selection

The Evaluation Committee shall correct any arithmetic errors and determine whether the financial proposal is complete and has cost all corresponding inputs in the technical proposal. The Evaluation Committee shall also analyze the financial proposal to determine whether it offers value for money and prepare for negotiations.

The proposal shall be recommended for award of contract, subject to any negotiations, if required.

5.5.4) Financial evaluation report

The Evaluation Committee shall prepare a Financial Evaluation Report, which shall include:

a) Minutes of the opening of financial proposals, including the technical scores and proposal prices read out;

b) The evaluated price of each proposal, following any corrections, adjustments and the conversion to a single currency;

c) The financial score of each proposal and the methodology used for allocating financial scores (in the case of quality-and-cost-based selection methods); or the ranking of each proposal by price (in the case of least-cost selection);

d) The weighting of the technical and financial scores (in the case of quality-and cost based selection methods);

e) The total score for each proposal (in the case of quality and cost based selection methods);

f) A recommendation to award the contract to the consultant obtaining the highest total score (in the case of quality-and-cost-based selection methods), or the highest ranked consultant in accordance with another applicable selection method, subject to any negotiations required; and

g) The currency and price of the proposed contract, subject to any changes following negotiations.

The Financial Evaluation Report shall be submitted to the Competent Authority for approval, prior to proceeding with any negotiations required or award of contract.

5.5.5) Scope of Negotiations

Negotiations with the selected consultant may relate to:

a) Minor alterations to the terms of reference, methodology and staffing;

b) Minor amendments to the Special Conditions of Contract;

c) Mobilization arrangements, the work plan and completion schedule;

d) Inputs required from the Entity; or

e) Clarification of the consultant's tax liability (if any).

Negotiations shall not be conducted to:

a) Substantially change the technical quality or details of the proposal, including the tasks or responsibilities of the Consultant;

b) Materially alter the terms and conditions of contract;

c) Reduce fee rates or reimbursable costs, except where changes are required to reflect any agreed changes to the technical proposal; or

d) Substantially alter anything which was a deciding factor in the evaluation of proposals.

Where the evaluation was conducted using Quality Based Selection, negotiations may relate to the total proposal price and its constituent costs, to obtain value for money.

The selected Consultant should not be allowed to substitute key staff, unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key staff were offered in the proposal without confirming their availability, the Consultant may be disqualified and the process continued with the next ranked Consultant. The key staff proposed for substitution shall have qualifications equal to or better than the key staff initially proposed.

If the negotiations fail to result in an acceptable contract, the Entity shall proceed to the next ranked consultant and so on.

5.5.6) Procedure for Negotiations

Negotiations shall not be conducted until after the Financial Evaluation Report has been approved by the relevant authority.

Negotiations shall only be held with the Consultant recommended for contract award, except where negotiations fail, and the Procurement Committee obtains the approval of the Award Authority to open negotiations with the next ranked Consultant.

The Procurement Committee shall prepare a plan for the negotiations, which shall specify issues to be negotiated and objectives to be achieved and shall, to the extent possible, quantify the objectives and set maximum and minimum negotiation parameters.

The negotiations shall be conducted by a minimum of two staff of the Entity, who shall not commit the Entity to any proposed arrangements or agreements, but shall seek the approval of the competent authority, prior to confirming any agreement reached.

Staff conducting the negotiations shall prepare minutes of the negotiations, which shall form part of the record of the procurement and shall obtain the Consultants' written agreement that they are a true and accurate record of the negotiations held.

5.5.7) Procedure for Award

Subject to successful negotiations, the contract shall be awarded to the successful consultant. If negotiations are not successful in arriving at a decision acceptable to both parties, negotiations shall then be terminated and the next highest ranked Consultant invited for negotiations.

A contract shall not be awarded in violation of the conflict-of-interest.

6. Procurement of Works

Currently PDMA –PaRRSA not involved directly in procurement of Works, as the procurement of works are carried out by lines department as a depositary works.

However, if PDMA-PaRRSA directly involved in Procurement of works than Reconstruction and Rehabilitation Section of PDMA will be responsible for carrying out the Procurement of Works.

6.1 Flow Chart for Procurement of Works

Following is the flow chat of activities carried out for Procurement of works

Activities prior to Procurement Process.

(i) Conceivement of Development Scheme/Project
(ii) Preparation of PC-I/PC-II
(iii) Approval of PC-I/PC-II from Competent Forum
(iv) Issue of Administrative Approval
(v) Technical Sanction of Detailed Estimate
(vi) Placement of Funds with Executing Agency
(vii) Site Possession or Land acquisition
(viii) Preparation of Procurement Plan

Procurement Process.

(i) Preparation of Notice of Pre-qualification or Inviting Tenders/Bids
(ii) Approval of NIT from Competent Authority
(iii) Publication and/or Hoisting of NIT
(iv) Issuance of Pre-qualification documents (if prepared separately) to interested bidders,
(v) Short listing of bidders in case of Pre-qualification
(vi) Issuance of Bidding Documents to Short listed Bidders
(vii) Opening of bids/proposal, Evaluation and Recommendation for award
(viii) Issuance of Letter of Acceptance/work order
(ix) Signing of Contact Agreement
(x) Timely Publication of Contract Award on website

PDMA-PaRRSA will prepare a Procurement Plan for Works and will get approved from the Director General –PDMA. A sample Procurement Plan is placed at Annex-II.

6.2 Administrative Approval

The Administrative Approval will be issued by the Competent Authority, the following committees have been authorized to approve relief, construction and rehabilitation projects i.e.

a). Provincial Steering Committee (PAC) headed by Chief Secretary will approve the project costing above Rs. 100 Million;

b). Divisional Approval Committee (DAC) headed by Commissioner concerned will approve the project costing up to Rs. 100 Million;

c). District Reconstruction & Rehabilitation Committees (DRRC) headed by Dy. Commissioner concerned will approve the project costing up to Rs. 40 Million;

The Administrative Approval of scheme approved by the DRRC will be issued by concerned DC/District Administration, while scheme approved by DAC and PSC, the respective department shall issue the Administrative approval

6.3 Excess over amount administratively Approved

PC-I of the scheme/work does not need revision, if scheme is to be completed with cost not exceeding and above 15 percent excess over the original cost of Administrative Approval.
Revised Administrative Approval. PC-I of the scheme/work is required to be revised when any of the following conditions exists:-

i). original scope is modified/changed, even though the cost of the same may possibly be covered by savings on other items in the original rough cost estimate;

ii). when the expenditure on a work/scheme exceeds, or is found likely to exceed the administratively approved amount by more than 15 percent.
Timely submission of revised rough cost estimate is required for revised administrative approval to maintain un-interrupted continuity in execution, and same should be obtained from the authority competent to approve the enhanced cost. No excess can be allowed over the revised cost.

6.4 Technical Sanction

For construction works, Technical Sanction shall be obtained from the appropriate forum. The detailed estimate, prepared by the concerned section of PDMA-PaRRSA keeping in view its technical feasibility and provisions in the PC-I, is submitted to competent authority for the sanction is known as the **Technical Sanction (TS)** to the estimate. Respective technical concerned officer of PDMA-PaRRSA will be authorized to provide technical sanction of civil works.

6.5 Revised Technical Sanction (RTS)

Detailed Estimate needs revision when during execution it is anticipated that cost of completion is to exceed beyond the permissible limit (5%). Revised detailed estimate is timely prepared incorporating the work done and required to be done along with deviation statement for submission to competent authority to accord Revised Technical Sanction (RTS), provided that overall cost of the scheme continues to be within the permissible excess of 15% over the Administrative Approval Cost. No excess is allowed over the cost of revised technical sanction.

6.6 Initiation of Procurement Process

PDMA-PaRRSA will plan their annual procurement plan for procurement of works as defined in details in section 3.5 of Manual. The following six main principles need to be considered during selection process of consultants:

i) High-quality of work;
ii) Value for money/economy and efficiency;
iii) Fair and open competition among the eligible and qualified contractors;
iv) Transparency in the selection process;
v) Accountability; and
vi) focus on the code of ethics (conflict of interest).

Any demand of procurement of works shall be accompanied by a complete, precise and unambiguous description of the works required. This description shall include, where appropriate:

(a) A description of the scope of the works, which may include, but is not limited to design, construction or installation of equipment / project;

(b) The purpose and objectives of the works;

(c) The duration or completion schedule for the works;

(d) Details of the supervision requirements, working relationships and other administrative arrangements;

(e) Drawings and/or design requirements;

(f) Specifications and standards;

(g) Bill of quantities or equivalent; and

(h) Inspection requirements.

Pre-qualification of Contractors and their procedure are covered in detail at section 4.11 “detail procurement procedures” of this manual.
Sample for Procurement Plan for works are place at Annex-II
Pre-qualification Performa for development work is placed at Annex-III (A)
Notice for Inviting Tender (NIT) for works is placed at Annex-IV (A)
Letter to pre-qualified firm (Annex-VI)
Letter of Acceptance Works (Annex-XII)
Contract with Contractors Agreement (Annex- XIII)

6.7 Termination of Civil Work Contracts

The Employer or the Contractor may terminate the Contract if the other party causes a fundamental breach of the Contract.

6.7.1 Fundamental breaches of Contract shall include, but shall not be limited to, the following:

(a) the Contractor stops work for 28 days when no stoppage of work is shown on the current Program and the stoppage has

not been authorized by the Concerned Incharge/Engineer;

(b) the concerned Engineer instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 28 days;

(c) the Employer or the Contractor is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation;

(d) a payment certified by the Engineer concerned is not paid by the Employer to the Contractor within _____ days of the date of the Engineer certificate;

(e) the Concerned Engineer gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by Engineer ;

(f) the Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as **defined in the SCC.**

(g) if the Contractor, in the judgment of the Employer has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

6.7.2 When either party to the Contract gives notice of a breach of Contract to concerned incharge for a cause other than those listed above, the concerned incharge shall decide whether the breach is fundamental or not.

(a) Notwithstanding the above, the Employer may terminate the Contract for convenience.

(b) If the Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible.

(c) if the employer determines that the contractor has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices, in completion for or in executing the contract, then the employer may, after giving _____ days notice to the contractor, terminate the contractors employment under the contract and expel him from the site.

7. Other General Topics of Manual

A. Responsibility

For Relief Procurements, relevant procurement committee shall be responsible for carrying out procurement process including the evaluation of tenders.

For administrative procurements, evaluation of tenders shall be carried out by the Committee comprising the following members:

- Director HR and Admin
- Departmental Heads
- Dy. Director Procurement Relief
- Dy. Director Procurement Reconstruction
- Co-opted member (nominated by DG)

Final approval of successful suppliers/contractors will be accorded by the Director General-PDMA-PaRRSA.

In case of indirect procurements**, t**he following committee, constituted with the instructions of PSC, shall be responsible for evaluation of tenders:

- District Commissioner/ District Administration
- Executive engineer (concerned department)
- Representative of Army (engineering corps)
- Representative of PDMA-PaRRSA

Deputy Director Procurement observes the process carried out by the procuring entity and shall ensure compliance with applicable rules and regulations as well as requirements of this manual by the procuring entity.

B. Acceptance Letter:

Successful supplier/contractor is intimated about the outcome of the tendering process through acceptance letter. Acceptance letter is issued by the Director General-PDMA-PaRRSA or Director HR & Administration or District Coordination Officer (Chair of the committee in case of PaRRSA activities), as the case may be, directing the supplier/contractor to submit (Performance Bond/Security if any and work plan etc.) and details within a week of the issuance of an acceptance letter

C. Signing of contract:

A standard contract is signed with the successful bidder within 14 days of the issuance of acceptance letter in case of PaRRSA and within 30 days in case of PDMA with reference to KPK Procurement Rule 2003 as provided under sub Rule 42 (02).
(Sample form of Agreement has been developed (Annex- XIII)

D. ***Work Order***

For the activities undertaken by PDMA, Work Order is issued by the Director HR & Administration while for activities undertaken by PaRRSA, Work Order is issued by the Procurement Specialist or concerned Executive Engineer (XEN) to the supplier/contractor detailing the name of the project, estimated cost and period of completion. Major terms and conditions are also included in the work order.

E. Monitoring and Supervision :

Monitoring & Evaluation wing of PDMA-PaRRSA will manage and carry out monitoring and supervision of the projects and will submit their reports, with regular intervals to the Director General.

7.1 Payment Mechanism:

Payments to suppliers/contractors shall be made in accordance with the terms of contract and shall in no case be made later than 45 days after the receipt of invoice from the contractor.

Payments for donor funded construction contracts are made to the contractors as per the payment guidelines duly approved by Director General PDMA-PaRRSA after verification of physical work completed by the suppliers/contractors in the field.

In case of Relief goods and services, payment will be made within 15 days after successful completion of task/job duly verified by the authorized officer of PDMA, while in case of reconstruction works, 30 day will be the reasonable time frame.

7.2 Repeat Order:

PDMA may enter into fresh agreement by repeat order with a contractor or supplier to ensure interests of Government and for reasons of economy, compatibility and efficiency for supply of similar goods provided, subject to the approval of competent Authority, if it is within the allowable period of 4 months. Procurements through direct contracting in an emergency caused by natural disaster etc. and for urgent requirement caused by unforeseeable events can be undertaken. Also single repeat order not exceeding fifteen percent (15%) of the original procurement contract under provision of KP PPRA Act, 2012 under rule 33, sub rule -2 (b) can also be undertaken.

7.3 Unsuccessful Proceedings

Where no responsive bids are received or procurement proceedings are otherwise unsuccessful, the Procurement Section shall investigate the failed

procurement proceedings and send a report to the Director General PDMA-PaRRSA for approval. The report shall include the reasons why the procurement was unsuccessful and recommendations on the way forward for a new procurement proceeding.

The investigation shall consider all relevant factors/issues, which may include, but are not limited to:

a) Whether the bidding period was sufficient according to circumstances;

b) Whether the requirements of the solicitation documents and the terms and conditions of the proposed contract were reasonable and not so excessive as to deter competition;

c) Whether any invitation notice was published in an appropriate publication and on the required date;

d) Whether any shortlist included sufficient bidders and whether the bidders included provide goods, works or services required;

e) Whether there was any delay in issuing the solicitation documents;

f) Whether any amendments or clarifications to the solicitation documents allowed sufficient time for bidders to take them into account in preparing their bids;

g) Whether there were other extraneous events or circumstances, which may have affected the ability of bidders to respond;

h) Whether the evaluation process was conducted in accordance with the rules and the solicitation documents and whether staff responsible for the evaluation had adequate skills and resources;

i) Whether there was any suspicion of collusion between potential bidders; and

j) Whether the original choice of procurement method was appropriate.

The procurement section shall make any appropriate recommendations, which may include, but are not limited to:

a) The use of an alternative method of procurement;

b) Amendments to the solicitation documents, including bidding requirements, the type of contract or the terms and conditions of the proposed contract;

c) Alternative publication of any invitations to bid, similar notices or solicitation documents or a revised shortlist; and

d) The introduction of international competition.

7.4 Grievance Redressal Mechanism

PDMA shall constitute a committee comprising of odd number of persons, with proper powers and authorizations, to address the complaints of bidders that may occur prior to the entry into force of the procurement contract.

Under provision of KP PPRA Act, 2012 any bidder feeling aggrieved by any act of the PDMA after the submission of his bid may lodge:-

i). a written complaint with the head of organization, concerning his grievances not later than fifteen days after the announcement of the bid evaluation report and also

ii). file an appeal to the KP PPRA against the decision of PDMA within fifteen days.

The committee shall investigate and decide upon the complaint within twenty days of the receipt of the complaint. Mere fact of lodging of a complaint shall not warrant suspension of the procurement process.

However, decision of KP PPRA on appeal shall be final.

8. ANNEXURES

Annexure I – Disclosure of Conflict of Interest

Soliciting: Acquisition of Construction Services for_____

I _____, being the member of the committee, hereby undertake that I do not have any "conflict of interest" with any of the applicant/ supplier under this solicitation. The term "conflict of interest" has been defined as under.

Definition of Conflict of Interest:

No member of this committee or their family member may have, directly or indirectly, any financial or non-financial interest or involvement with or obligation to, any business organization which does or seeks to do business with PDMA-PaRRSA, unless the interest or obligation has been fully disclosed in writing to the Director General PDMA-PaRRSA and this committee and it has been determined that the employee's duties for PDMA-PaRRSA will not require him/her to make decisions or take actions that could be influenced by such interest, involvement or obligation. A "family member", for purposes of this definition, includes a close relative (by blood or marriage) and also any person living in the same household with the employee.

Any interest, involvement with, obligation or loan from an organization that might influence the judgment or action of an employee in the conduct of PDMA-PaRRSA activities will be considered "significant". A loan from a financial institution at prevailing interest rates and on customary terms may be disregarded.

In addition to the potential for a conflict of interest arising from an employee's service with another organization, a conflict of interest may also arise if a family member becomes eligible for a significant benefit, such as hiring in capacity of employee or consultant, commissions or bonuses, from the other organization (even in the absence of a financial interest with applicant organization) if it does business with PDMA-PaRRSA."

I have read, acknowledge and agreed with the definition of Conflict of Interest, mentioned above.

Signature: _____

Date: _____

Name: _____

Designation: _____

Annexure II – Specimen of Procurement Plan

1. PROCUREMENT PLAN FOR GOODS, WORKS AND SERVICES FOR FY 2013-14

Proc. Plan Activity No.	Description of Goods/Works/Services	Qty	No/ MM	Estimated Budget	Expected Procurement Time											
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec

Planning should start in the beginning of the year and should be a joint exercise lead by Procurement Section

1. Specimen of Procurement Plan for Procurement of Goods

Procurement Plan: ***FY 2012-2013***
District: ***Peshawar***
Procurement of: ***Goods***
Procuring Entity: ***Provincial Disaster Management Authority (PDMA)***

Proc. Plan Activity No.	Description of Procurement	Unit	Qty	Procurement Method	Source of Funding	Estimated Cost in Rupees (Million)	Timelines	Advertise Tender	Tender Opening	Tender Evaluation	Approval to Award	Notification of Award	Signing of Contract	Completion of Contract
1	2	3	4	5	6	7	8	9	10`	11	12	13	14	15
1							Planned Weeks	24-Jul-12	4 Weeks	2 Weeks	1 week	1 week	Within 4 weeks	8 weeks
							Planned Days	0	30	15	7	7	30	60
2							Planned Weeks	30-Jul-12	4 Weeks	2 Weeks	1 week	1 week	Within 4 weeks	8 weeks
							Planned Days	0	30	15	7	7	30	60
3							Planned Weeks							
							Planned Days							
4							Planned Weeks							
							Planned Days							
	Total Value of Goods													

2. Specimen of Procurement Plan for Procurement of Services

Procurement Plan: ***FY 2012-2013***
District: ***Peshawar*** ***Rupees in Million***
Procurement of: ***Consultancy Services***
Procuring Entity: ***Provincial Disaster Management Authority (PDMA)***

Proc. Plan Activity No.	Description of Procurement	Unit	Qty	Procurement Method	Source of Funding	Estimated Cost in Rupees (Million)	Timelines	Advertise Tender	Tender Opening	Tender Evaluation	Approval to Award	Notification of Award	Signing of Contract	Completion of Contract
1	2	3	4	5	6	7	8	9	10`	11	12	13	14	15
							Planned Weeks	30-Jul-12	4 Weeks	2 Weeks	1 week	1 week	Within 4 week	12 Weeks
							Planned Days	0	30	15	7	7	30	90
							Planned Weeks	30-Jul-12	4 Weeks	2 Weeks	1 week	1 week	Within 4 week	12 Weeks
							Planned Days	0	30	15	7	7	30	90
							Planned Weeks							
							Planned Days							
	Total Value of Consultancy													

3. Specimen of Procurement Plan for Procurement of Works

Procurement Plan: ***FY 2012-2013***
District: ***Peshawar*** ***Rupees in Million***
Procurement of: ***Works***
Procuring Entity: ***Provincial Reconstruction, Rehabilitation and Settlement Authority (PaRRSA)***

Sr. No	Description of Procurement	Unit	Qty	Procurement Method	Source of Funding	Estimated Cost in Rupees (Million)	Timelines	Advertise Tender	Tender Opening	Tender Evaluation	Approval to Award	Notification of Award	Signing of Contract	Completion of Contract
1	2	3	4	5	6	7	8	9	10`	11	12	13	14	15
							Planned Weeks	30-Jul-12	4 Weeks	2 Weeks	1 week	1 week	Within 4 week	24 Weeks
							Planned Days	0	30	15	7	7	30	180
							Planned Weeks	30-Jul-12	4 Weeks	2 Weeks	1 week	1 week	Within 4 week	48 Weeks
							Planned Days	0	30	15	7	7	30	366
							Planned Weeks							
							Planned Days							
	Total Value of Works													

Annexure III – SAMPLE NIT FOR PRE-QUALIFICATION (Works)

PRE-QUALIFICATION OF CONTRACTORS

Date: _____ (Notice issue date) Reference No_____

(Name of Project/Scheme)

1. (Name of Procuring Agency/Department) has received funds from Provincial/Federal/ Loan/ Grant/ for the Project/ Scheme cited above with scope, estimated cost and duration of the project are as under:

a). Scope: (Insert the scope i.e. General Project Description which should contain sufficient detail to identify the location, nature and complexity of the works).

b). Estimated Cost: (Insert the Cost) ……..(Depend upon nature of procurement)

c). Project period: (Insert the Period)

2. Applications are invited from interested firms/contractors/joint ventures of constructors those have valid PEC registration in relevant category (specify) and discipline.

3. Firm/Contractors are required to provide detail documents; such as, Profile of firm/ contractors, Relevant past experience to similar projects, key personal qualification & experience, equipment and financial details requirement as envisaged in the pre-qualification documents.

4. Appropriate category PEC registered constructors may obtain the pre-qualification documents from the office of the undersigned during office hours against non-refundable fee of Rs. ____

5. Applications must be delivered in sealed envelopes by hand or through registered mail on the address given below:- _____(Address) not later than: _____(Time/Date)

6. The _____ (Name of the Employer) reserves the right to accept or reject any or all application prior to the finalization of pre-qualification process.

7. Applicants will be informed, in due course, of the result of the evaluation of applications.

Only the firms/ constructors/ and joint ventures prequalified under this process will be invited to bid……. (Optional)

(Tender Inviting Authority, Address, Ph: no)

Annexure III (A)– Proposed Pre-qualification Performa for Contractor for Development Works

Part I: Constitution or legal status of Bidder: *[attach copy]*

1.1 Place of registration: _____

1.2 Principal place of business: _____

1.3 Power of attorney of signatory of Bid: *[attach]*

1.4 Valid Registration with Pakistan Engineering Council in Relevant Category

Registration No._____ [attach]

Registration Validity _____

Specify Category _____

1.5 Name, address, and telephone, telex, and facsimile numbers of firm that may provide references if contacted by the Employer

Part II: Past experience

1. How long have you been in business as a contractor under your present business name?

_____

2. How many years of experience in construction work has you organization had:

(a) As a general contractor _____

(b) As a sub-contractor _____

3. What is the construction experience of the principal individuals of your organization?

Individual's Name	**Present Position**	**Years of Construction Experience**	**Years With Firm**	**Magnitude and Type of Work**	**In What Capacity**

4. Provide an affidavit /statement that your firm has not been blacklisted by any of the Government department.

5. List of technical and managerial staff on the role of firm or regular and temporary basis along with CVs of the key staff.

CONSTRUCTION

6. Performance Record for the last 5 years

a). List of similar work completed project during last 5 years, including the following information

(List all contracts completed by your organization during the past five years. Uncompleted contracts are to be shown separately.	**Was contract completed?**	**Were there penalties imposed.**	**Were there any claims filed.**
(1)	(2)	(3)	(4)

Owner Name	**Name and Location of Project Work Type**	**Name of Engineer In Charge**	**Contract Price**	**Completion on time (Yes or No)? (If "No," explain why under**
(5)	(6)	(7)	(8)	(9)

b. List at least three business references (Name, Designation, Telephone, cell, fax, e-mail details) from the above performance record including completion/performance certificates issued by concerned department as referred above. The procuring entity may verify the references given as part of the pre-qualification process.

_____

_____

7. Explanation of details in connection with non-completion of contracts, penalties imposed, liens, and claims filed against contracts listed under column no. (3) Of Para 6 above:

_____

_____

8. STATUS OF CONTRACTS ON HAND

Give full information about all your contracts on hands, whether prime or subcontracts; whether in progress or awarded but not yet begun; or if you have bid but the contract has not yet been awarded.

Owner	Location	Description	Date Awarded	Contract Amount (PKR)	Percentage of Physical Completion	Scheduled Date of Completion	Estimated Date of Completion
Total							

Part III - Financial Information

1. Attach a copy of the firm's two most recent annual financial statements.
2. Bank cash flow statement for the last two years.
3. A credit worthiness certificates from concerned Bank.
4. Information on current litigation(s) in which the Bidder is involved

Part –IV Other Documents

2. Legal Capacity to enter into procurement contract
3. Have fulfilled obligations to pay taxes
4. Major Items of Equipment

   a). List of Major items of Contractor's Equipment along with registration certificates and proof of ownership proposed for carrying out the Works.

Item of equipment	Description, make, and age (years)	Condition (new, good, poor) and number available	Owned, leased (from whom?), or to be purchased (from whom?)
(a) (b)			

b). provide an affidavit on a stamp paper confirming the availability of Machinery/equipment with the firm and its availability at any time as desired by the Engineer in charge.

Annexure III (B) – Pre Qualification Performa for Suppliers / Vendors / Contractors other than Development Works

I. REQUIRED INFORMATION

Company/Individual Name:			
Owner Name (if different from above):		Nationality of Owner:	
Contact Person:			
Full Address (Street/City, etc.			
Phone No:		Fax No:	
E-mail:		Website:	

II. CUSTOMER REFERENCES

Provide 3 current customer references, listing customer, phone number, contact person, contact's e-mail and a description of the product or service provided to the customer.

1	Name of Organization/Business			
	Name of Contact Person		Title	
	E-mail:		Phone:	
	Type of product / service provided to client			
2	Name of Organization/Business			
	Name of Contact Person		Title	
	E-mail:		Phone:	
	Type of product / service provided to client			
3	Name of Organization/Business			
	Name of Contact Person		Title	
	E-mail:		Phone:	
	Type of product / service provided to client			

III. INDICATE BELOW THE PRODUCTS OR SERVICES SOLD OR PROVIDED BY YOU

[a]	[b]

[c]	[d]
[e]	[f]
[g]	[h]

IV. REGISTRATION OF BUSINESS

1. Is your firm registered as a business entity with the government?	YES	NO
2. If YES, please provide your business registration number		
3. If applicable, please provide Sales Tax Registration Number		
4. Please provide Tax ID number		
5. Indicate how long have you been in this type of business		
6. Have you ever done business with other Govt Agencies? If so, provide names of agencies immediately below:	YES	NO
7. Are you related to any person currently employed within the Authority?	YES	NO
8. If YES, please provide name and position		
9. Provide here, any additional information regarding your business		
Government regulations may require deducting taxes on any transaction prior to effecting payment to the vendor.		

V. CERTIFICATION

I certify that the foregoing is true and complete to the best of my knowledge and belief and that no material changes have occurred to the business which would affect any of the above representations.

Misrepresentation above may result in cancellation and severing all ties with the agency/person and will be deleted from the list of clients. I have read the above statement and certify under oath that the information contained herein is true and accurate to the best of my knowledge and belief.

Name of Person Completing Form (Please print clearly)	

Title:	Signature:	Date:

FOR PROCUREMENT USE ONLY
Customer References Verified

Annexure-IV (A) Specimen for Notice Inviting Tender (NIT) Works

NOTICE INVITING TENDERS

GOVERNMENT OF KHYBER PAKHTUNKHWA
PROVINCIAL DIASTER MANAGEMENT AUTHORITY (PDMA)

No. _____ Dated. _____

Sealed tender are hereby invited from the pre-qualified approved contractors of PDMA-PaRRSA enlisted in respective categories/class and possess the valid renewal for the year _____ with the department & pre-qualified for the PaRRSA Program by the Competent Authority, Peshawar for the works more than _____ (M) as per given detail below:

Sr. No	Name of work/ scheme	Earnest Money	Completion Period
01			
02			

2. Tender documents can be purchased from the office of the_____, Civil Secretariat, PDMA-PaRRSA, Peshawar on dated _____ during office hours against non-refundable fee of Rs. _____.The tenders will be received latest **by** _____ **upto** _____ **P.M.** and will be opened on the same date at _____ in the Committee Room of PDMA-PaRRSA in the presence of the contractors or their authorized representatives who may like to preset.

3. All the bidders are requested to accompany the following attested attach the documents with their application for tender documents i.e. 2% earnest money (original), CNIC, enlistment order with PDMA, valid PEC registration. Bidders are also requested to bring all these mentioned documents in original with him and have to show the concerned officers at the time of purchasing of tender document.

4.. Tenders shall be valid for a period of 90 days and accompanied by Earnest Money / Security of not less than 2% (Two Percent) of the quoted price in the shape of call deposit/demand draft from a scheduled bank of Pakistan in favor of the Director General-PDMA- PaRRSA, Peshawar.

6. The bidder whose bid is accepted will be notified of the award of contract by the Purchaser prior to the expiration period of quotation validity period.

7. The Competent Authority has reserves the right to accept or reject any one or all tenders and to cancel the bidding process at any time prior to the award of the Contract.

Officer Concerned
PDMA-PaRRSA, Peshawar.
Phone: 091-_____.

Annexure-IV (B) Specimen for Notice Inviting Tender (NIT) Goods

Tender Notice

PDMA, Khyber Pakhunkhwa invites sealed bids from the eligible bidders for Supply, Installation, Testing and Commissioning of (Insert name of items to be procured) Qty (04) four on turnkey basis to be delivered at (insert the location) as per following specification: -

Lot No.	Specification
01	
02	
03	

2. Bidders may bid for one or all specifications mentioned above. Bid evaluation and contract award shall be on specifications basis. Interested firms/manufactures/dealers may obtain further information from the Assistant Director-Procurement, PDMA during office hours.

3. Quotations shall be valid for a period of 60 days and accompanied by Earnest Money / Security of not less than 2% (Two Percent) of the quoted price in the shape of call deposit/demand draft from a Schedule Bank of Pakistan in favor of the Director General-PDMA-Peshawar.

4. Bids must be delivered to the office of undersigned on or before 11.30 a.m. on Friday, July 20th, 2012. Bids will be opened by the Procurement Committee on the same day in the presence of bidders/ representatives who choose to attend at 12:00 a.m. in the Committee Room of PDMA, Peshawar.

5. The detail specification and other terms and conditions may be downloaded from Website www.pdma.gov.pk or obtained from the O/o Assistant Director-Procurement, PDMA during office hours.

6. The Competent Authority has reserves the right to accept or reject any Bid, and to cancel the bidding process and reject all bids at any time prior to the award of the Contract.

Concerned Officer,
Provincial Disaster Management Authority,
Khyber Pakhtunkhwa, Peshawar.
Phone: 091-_____,
Fax No. _____

Annexure-IV (C) Specimen for Notice Inviting Tender (NIT) Services

Expression of Interest

For development of training curricula/manuals and delivery of trainings for PDMA, Khyber Pakhtunkhwa

Reference No:_____

The expressions of interest supported by technical proposals are invited from eligible/qualified and reputable registered firms/organizations/institutions/individuals having technical, financial capabilities and past experience in relevant fields for the following:

a. Development of training modules/curricula (manuals) separately on
   i) Disaster Risk Management; ii) Community Based Disaster Risk Management.
b. Delivery of Training workshops for the government officials
c. Conduct of Training of Trainers (ToT) for selected communities in selected districts of Khyber Pakhtunkhwa.

Interested firms/organizations/individuals may like to download the detailed scope of work for the assignment from PDMA website http://www.pdma.gov.pk. The potential bidders may like to send their technical proposals in a separate sealed envelope by September_____, 2012, on the address given below. Proposals received after due date shall not be entertained.

PDMA, Khyber Pakhtunkhwa reserves the right to accept or reject or cancel the complete process prior to award of contract.

Concerned Officer
Provincial Disaster Management Authority (PDMA),
Civil Secretariat Peshawar
Ph: 091-_____

Annexure V - Letter to Firms Not Considered Qualified for the Project

Name: _____

Address: _____

Contact details: _____

Date: _____

Dear Mr. /Ms. _____

Subject: _____

We have carefully reviewed all the pre-qualification data received from various firms in response to our announcement of the _____ project. We regret to inform that your firm was not one of those selected for the development of a bid.

Thank you for your submission. We appreciate your interest in (insert _____ Identity of project) and hope you will continue to be interested in our future projects.

Sincerely,

Annexure VI. Letter to Prequalified Firms

Name: _____

Address: _____

Contact details: _____

Date: _____

Dear Mr. / Ms. _____

We wish to inform you that your firm has been pre-qualified to bid on the _____ project. The Invitation for Bid is available from _____ at a cost of PKR_____. The closing date for receipt of bids is _____, 2012__. The details instructions on how to submit the bids are available in the bidding documents available in the office of _____ and will be provided on payment of prescribed fee.

We appreciate your interest in the project and wish you best of luck in your future efforts.

Sincerely,

Annexure VII - Technical Evaluation Criteria (TEC)

a) For solicitations, each of the three technical evaluation criteria is given an equal weight, and the sub-criteria under each are also weighted equally. The three technical evaluation criteria are:

1) Past Performance
2) Staffing
3) Technical Understanding and Management Approach (Oral Presentation)

b) The TEC shall use a score ranging from 0 to 100 to represent the strengths, weaknesses, and probability of deficiency to be corrected, for each of the technical evaluation criteria. In addition, there is a corresponding narrative definition for the ratings of **Acceptable, and Unacceptable**. The definition of the ratings and their corresponding scores are listed below:

Rating Definition Score

Acceptable	Meets evaluation standards; has good probability of satisfying the requirement; and any weakness can be readily corrected	70 and Above
Unacceptable	Fails to meet a minimum requirement; and deficiency requires a major revision to the proposal to make it uncorrectable	Below 70

c) Each TEC member shall use a standard worksheet designed to address each of the technical evaluation criteria being evaluated.

d) Narratives in the worksheet to specifically mention the strengths and deficiencies in support of the rating given. When each TEC member has completed his/her evaluation, each TEC member's scoring worksheet shall be integrated into a TEC evaluation sheet to rank each offeror.

e) A complete set of worksheets is included in the Appendix, and directions on how to evaluate each of these technical evaluation criteria is further explained below.

1) Past Performance.

(a) The Office of Procurement has issued with the solicitation, a standard "Past Performance Evaluation Form," with instructions for the offeror to send out to four recent firms/agencies to complete and return for evaluation, for which it has performed work as a prime contractor.

The five sub-factors included in the past performance report are:

(1) Quality of Product/Service
(2) Cost Control
(3) Timeliness of Performance
(4) Business Relations
(5) Overall Satisfaction Rating

(b) The rating criteria for the above sub-factors are provided in the instructions, and the numeric scores used in the past performance report are between 0 (Unsatisfactory) and 4 (Exceptional). If there is any reason to question the validity of the report, the TEC will further check the offeror's references independent of the given reports.

2) Staffing.

(a) The success of the contract depends heavily on the staffing qualification required by the solicitation's Statement of Work. This evaluation criteria covers the qualifications of the Senior Instructional Designer/Program Manager and Instructional Designer identified in the solicitation as key personnel, as well as the depth and breadth of the other technical staff.

(b) Each TEC member will evaluate the resumes received from each Offeror and enter a score to the worksheet. If an insufficient number of resumes are received, a zero score will be given to the missing portion of the resume. In the end, an averaged and weighted score per TEC member as well as any narrative adjectival rating shall be provided.

3) Technical Understanding & Management Approach (Oral Presentation)

(a) Instead of submitting lengthy written material for evaluation, an oral presentation will be evaluated for this criteria. A one (1) hour presentation demonstrating the Offeror's technical understanding and management approach to conduct the contract effectively will be evaluated. In addition, each Offeror is required to explain the approach it would use in carrying out the said assignment.

(b) The degree of satisfaction of their answers in the technical and management areas shall be scored into the worksheet by each TEC member. The organization may request clarification of any points arising from the Offeror's presentation which are unclear. At the conclusion of the completed oral presentations and clarifications, if any, an averaged and weighted score per TEC member along with any narrative rating shall be provided.

Evaluation/Qualification Criteria Example

1. Criteria based on Marks/Score

   Mandatory Provisions/Eligibility: Firms/Contractors must possess:-

   (i) Valid registration Certificate of PEC in the Category ____ or above and in------ discipline for _____year;

   (ii) Valid registration certificate from income tax authority (NTN), and

   (iii) is not black Listed (Attached all certificates and affidavit of not black listing)

		Marks
(A).	**Company Profile**	
i.	Period since Firm/Contractor is in Construction business	**10**
	up to 5 years	02
	up to 10 years	05
	Above 10 years	10
ii.	Office Facilities in KP province	**05**
(B).	**General & Relevant Experience Record**	**35**
i.	Projects of Similar nature (Completed over last 5 years, 4 marks for each year, attached satisfactory completion report)	20
ii.	Projects in hand (similar nature) (5 marks for each projects having cost____ million or above. Attach copies for work orders	10
iii.	Key Personnel	05
(C).	**Proposed Methodology**	**10**
(D).	**Financial Capability of firm**	**20**
Total Marks		**80**

Technical Quality = 80 % / Cost = 20 % *(this ratio may be changed on case to case basis depend upon nature of procurement))*

Annexure VIII - Sample Cover Letter Inviting Bids

Date _____, 2012 Re: IFB/IFQ No. _____

(Name of Firm)

Invitation for BIDS [IFB]

Gentlemen:

PDMA-PaRRSA invite sealed bids from eligible bidders for the works under the above named Contract to for construction of_____

_____

Invitation for Bids No: _____ consists of the following documents:

1) Instructions to Bidders
2) Form of Tender/Bid form
3) Bid Data
4) General Conditions of Contact
5) Contact Data
6) Bill of Quantities
7) Forms of Bid, Performance, and Mobilization Advance Bank Guarantee/ Insurance Bond
8) Form of Agreement
9) Special Conditions of Contract
10) Technical Specifications
11) Tender Drawings.

Enclosed are Volumes I and II of the IFB. Volume I of the IFB contains items 1-9 above. Volume II contains the Technical Specifications and Drawings.

We appreciate your interest in this project.

Sincerely yours,

Annexure IX - Sample Instructions to Bidders Invitation for Bids

No **____ ISSUED _____, 201__**

(PDMA)
INSTRUCTIONS TO BIDDERS

1. Introduction

The (PDMA-PaRRSA), hereafter called the Employer, invites experienced firms of civil engineering contractors to submit bids for the construction of _____.
Only prequalified firms of civil engineering contractors invited by the Employer to submit bids for the execution of the Works described in these Documents may do so.

Bidders will not be reimbursed for any costs incurred in connection with the preparation and submission of their bids or for any subsequent visits to the Employer's and/or the Engineer's offices prior to award of the Contract.

These Instructions to Bidders are intended to aid bidders in the preparation of their bids.
The periods named in these Instructions to Bidders shall be consecutive calendar days, except that, if a due date falls on a local holiday, the due date will be the next workday.

2. Bid Opening

The original and two completed copies of Volume I must be delivered in person or sent by registered mail to the following address:

(Employer's Address)
All documents must be enclosed in sealed packages endorsed on the outside with the works "Bid for the _____ Project" and must be delivered not later than 12 noon local time on _____, 20_____.

The bids will be opened at that time at the address shown above in the presence of the authorized representative who may like to attend. Only the Bidder's name and the total Bid Prices (Readout) will be announced.

3. Late Bids

Bidders will be held responsible for ensuring that their bids are received in accordance with the instructions stated herein and a late bid will not be considered even though it became late as a result of circumstances beyond the bidder's control.

4. Modification of Bids

Any bidder has the right to withdraw, modify, or correct its bid after it has been delivered to the Employer, provided the request for such withdrawal, modification, or correction together with full details of such modification or correction is received by the Employer at the address given above by letter, telegram, or telex before the time set for opening bids. The original bid as amended by such communication will be considered as the bidder's offer. The Employer may ask any bidder for a clarification of its bid. However, all clarification is made in written form.

Clarifications which are not material modifications and do not change the bid price may be accepted. However, no bidder will be permitted to alter its bid price after bids have been opened. Bids must remain valid for required days and may not be withdrawn before expiry of bids validity period.

5. Contents of Bids

Bidders must submit bids for the whole of the works. Bids submitted for separate sections only or bids which are incomplete will not be considered.

Bidders are required to complete the following in an original and two copies:

(a) Form of Tender and Appendix;

(b) The Bill of Quantities.

(c) Bid Bond (If applicable)

Bidders shall fill in the rate for each item of work in the Bill of Quantities in the "Rate" column in figures. For each item, the quantity given in the "Quantity" column shall be multiplied by the (unit) rate, and the result entered in the "Amount" column. In any case of discrepancy between a (unit) rate and an amount, the (unit) rate will be taken as correct and the amount adjusted accordingly. Where in the "unit" column the word "Sum" is stated, the sum shall be entered in the "Amount" column by the bidder.

Any item against which no rate or sum is quoted will not be paid for by the Employer when the work described therein is executed and it shall be deemed to be covered by other rates and sums in the Bill of Quantities. No alterations shall be made to the forms provided which shall be completed in indelible ink or typed print. The completed forms shall have no interlineations or erasures except those necessary to correct errors made by the bidder, in which case such corrections shall be initialed by the person or persons signing the bid.

One original copy of the completed bid is to be clearly marked "ORIGINAL BID" and the other completed copies of Volume I are to be marked "COPY OF BID."

In case of any discrepancy, the copy marked "ORIGINAL BID" shall govern.

(d) Bid Bond

Bids must be accompanied by a bid bond in the amount of _____ percent of the bid price. No bid will be considered unless it is so secured.

The bid bond provided by unsuccessful bidders will not be repaid or discharged until the expiration of bid validity period from the day of bid opening or until such earlier time as a bid shall have been accepted by the Employer and a Performance Bond shall have been duly provided by the bidder whose bid is accepted.

The bond provided by the bidder whose bid is accepted shall be discharged when the Performance Bond has been duly entered into and executed.

All correspondence in connection with the bid and the Contract is to be in the English language.

6. Signature of Bid

The Bid must be signed by one duly authorized to do so. A bid submitted by a corporation must bear the seal of the corporation and be attested by its Secretary.

Associated companies or joint ventures shall jointly designate in one power-of-attorney persons authorized to obligate all the companies of the association or joint venture. A bid submitted by a joint venture must be accompanied by the document of formation of the joint venture, duly registered and authenticated by a Notary Public, in which is defined precisely the conditions under which it will function, its period of duration, the persons authorized to represent and obligate it, the participation of the several firms forming the joint venture, the principal member of the joint venture and address for correspondence for the joint venture. Bidders are advised that the joint venture agreement must include a clause stating that the members of the joint venture are severally and jointly bound.

7. Pre-bid Conference

A pre-bid conference will be held on _____, 20_____, at (time) in the following location:

Bidders are requested to attend Pre-bid conference, where they can discussed their submit on any issue relating to bid. Modifications to the Invitation for Bids resulting from the conference will be provided to all bidders by means of an addendum to the Invitation for Bids.

The participant's attendance should be recorded by signing of attendance sheet.

Addenda to the Invitation for Bids

If for any reason prior to bid opening it becomes necessary to modify the Bid Documents, an Addendum will be issued to and be binding on all bidders. Receipt of all Addenda shall be acknowledged by bidders but non-acknowledgement of receipt shall not relieve the bidders of being bound by such Addenda provided the Addenda were communicated to bidders by telex or registered mail. Addenda will be numbered consecutively commencing with No. 1 and bidders are required to insert the appropriate numbers in the space provided on the Form of Tender.

Should any bidder have questions to ask or should it have any doubt about the meaning of the Bid Documents, it should refer them in writing to the Engineer (name and address) not later than _____ days before the date set for opening of bids.

8. Additional Information

The "Report of Soils Investigation," prepared by ABC, Inc., is available to bidders. This report is for background information only and will not form part of the Bid or the Contract. Bidders may

inspect this report at the locations listed below, or may purchase the document by submitting _____to the addresses below:

(PDMA-PaRRSA)

(Infra Engineer/Concerned Officer.)

9. Site Visits

Visits to the site should be arranged through the Employer. The Employer has available on the site a four-wheel drive vehicle, which can be made available to Bidders without charge by prior arrangement with the Employer, for visiting remote areas of the site. The bidder will however be responsible for providing the driver and will use the vehicle at bidder's own risk.

10. Currency and Payment

Bidders shall quote prices in the Bill of Quantities in Pak Rupees. All the payments to the contractor will be made in Pak Rupees.

11. Acceptance of Bids

The contract will be awarded to the lowest responsive, responsible bidder. A "responsive" bid is one that complies with all the terms and conditions in the IFB without material modification. A material modification is one which affects in any way the price, quality, scope, or completion date of construction services or which limits in any way any responsibilities, duties, or liabilities of the bidder or any rights of the Employer or donor as any of the foregoing have been specified or defined in the IFB. Bidders may not modify nonresponsive bids after bid opening in order to make them responsive. However, the Employer may request a bidder to clarify its bid as long as no material modification is made.

The Employer reserves the right to reject any or all bids and to waive minor informalities in the bids received if it appears in the Employer's best interests to do so.

Failure on the part of the successful bidder to provide a Performance Bond in accordance with the Conditions of Contract shall be sufficient grounds for the cancellation of the award. The award may then be made to another bidder or the Employer may call for new bids.

All recipients of the Bid Documents (whether they submit a bid or not) shall treat the details of the Bid Documents as private and confidential.

The Bid of any bidder which does not conform to the foregoing instructions may be rejected.

12. Anti-Corruption Provisions

No offer, payment, consideration, or benefit of any kind which constitutes an illegal or corrupt practice shall be made, either directly or indirectly, as an inducement or reward for the award of this contract. Any such practice will be grounds for cancelling the procurement, terminating an offeror's consideration for award, or terminating the award of the contract and for such other additional actions, civil and/or criminal, as may be applicable.

Annexure X - Sample Bid Form of submission of Tender

(Note: The Appendix forms part of the bid.)

Date_____

Identification No and Title of
Contract:_____

_____
[insert identification number and title of the Contract]

To: [**Employer]**

Having examined the Bidding Documents, including addenda *[insert list]*, we offer to execute the *[name and identification number of Contract]* in accordance with the GCC accompanying this Bid for the Contract Price of *[insert amount in numbers]*, *[insert amount in words] [insert name of currency]*.

1. The Contract shall be paid in the following currencies:

Currency	Percentage payable in currency	Rate of exchange: one foreign equals *[insert local]*	Inputs for which foreign currency is required
(a) (b)			

2. The advance payment required is:

Amount	Currency
(a) (b)	

3. We accept the appointment of **----------**as the Adjudicator.

[Or]

We do not accept the appointment of **----------** as the Adjudicator, and propose instead that *[insert name]* be appointed as Adjudicator, whose daily fees and biographical data are attached.

4. This Bid and your written acceptance of it shall constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Bid you receive.

5. We hereby confirm that this Bid complies with the Bid validity and, if required, Bid Security or Bid-Securing Declaration as required by the Bidding Documents and specified in the Bid Data Sheet (BDS).

6. We undertake, if our Bid is accepted, to commence work under the contract within _____ days of receipt of both the confirmation that the Letter of Credit has been opened and the Notice to Proceed from the Engineer, and to complete and

deliver the whole of the of the Works comprised in the Contract within _____ days calculated from the last day of the aforesaid period in which the work is to commence.

7. If our bid is accepted we will, if required, obtain the guaranty of an Insurance Company or Bank or other sureties (to be approved by you) to be jointly and severally bound with us in a sum not exceeding _____ per cent of the above-named sum for the due performance of the Contract under the terms of a Bond to be approved by you.

8. We agree to abide by this Bid for the period of _____ days from the date fixed for receiving the same and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
9. Unless and until a formal Agreement is prepared and executed, this Bid, together with you written acceptance thereof, shall constitute a binding Contract between us.
10. We acknowledge receipt of Addenda 1 through _____ to the Invitation for Bids as originally issued (if applicable).

Authorized Signature:_____

Name and Title of Signatory:_____

Name of Bidder:_____

Address:_____

(the above template covers all possible terms, however this may amend as per nature of procurement)

Annexure XI – Sample Template for Purchase Order

No. /PDMA/Proc/…….. Dated: 00/00/0000

M/s …….
Address…….
Ph: …… Fax: ……

Subject: ***Purchase Order for Supply of ……...***

Please refer to your Quotation No. ……Dated: 00/00/0000

2. We are pleased to inform that your quotation for supply of ……. has been accepted by PDMA with the following Terms and Conditions.

S. Nr.	Item Description:	Total Amount Inclusive of taxes Rs.
1. 2. 3. 4.		

3. Place of delivery and contact officials:
……..……. PDMA, warehouse, Peshawar.

4. You are requested to please coordinate with the above official to conduct the Operational Acceptance Tests.
5. You are required to arrange delivery and installation within 2-3 weeks of the issuance of Purchase Order.
6. In case of any delay, Late Delivery Charges @ 0.05% of the cost of undelivered portion of supply will be levied every day beyond the stipulated time of delivery, subject to a maximum of 10% of the contract price.
7. Any deviation from the specifications given in the quotation shall be deemed as violation of this document and may result in cancellation of the Purchase Order, even if the product required has been delivered.
8. The rates accepted are for Delivered Duty Paid (DDP) and are inclusive of taxes and duties payable by M/s …….. as per laws of Islamic Republic of Pakistan.
9. All the admissible Govt taxes will be deducted at prescribed rate at source.
10. You are directed to provide performance guarantee in shape of Bank Guarantee/Pay Order/ Bank Draft @ 2% of the contract which will remain valid during warranty period.
11. 100% payment will be made upon provision of Delivery Challans and Operational Acceptance Tests (OATs) reports dually verified by the PDMA authorized representative.

(…….)
Procurement Officer

Copy to:……..

Annexure XII – Sample Template for Works (LOA)

Letter of Acceptance for works

[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)* for the Accepted Contract Amount of the equivalent of . . . . . .***amount in numbers and words and name of currency*** . . . . . ., as corrected and modified in accordance with the Instructions to Bidders is hereby accepted by our Authority. You are requested to **sign the contract agreement** attached herewith within stipulated time mentioned above.

Authorized Signature: .....

Name and Title of Signatory: .....

Name of Agency: .....

Annexure XIII: Contract Agreement Specimen (Works)

CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT (hereinafter called the "Agreement") made on the _____ day of_____(month) 20_____ between _____ _____ (hereafter called the "Employer") of the one part and _____ (hereafter called the "Contractor") of the other part.

WHEREAS the Employer is desirous that certain Works, viz _____ should be executed by the Contractor and has accepted a Bid by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

NOW this Agreement witnessed as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.

2. The following documents after incorporating addenda, if any, except those parts relating to Instructions to Bidders shall be deemed to form and be read and construed as part of this Agreement, viz:

(a) The Contract Agreement;
(b) The Letter of Acceptance;
(c) The completed Form of Bid;
(d) The Particular/Special Conditions of Contract;
(e) The General Conditions;
(f) The priced Bill of Quantities;
(g) The Drawings;
(h) The Specifications;
(i) _____ (any other)

3. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy defects therein in conformity and in all respects with the provisions of the Contract.

4. The Employer hereby covenants to pay the Contractor, in consideration of the execution and completion of the Works as per provisions of the Contract, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the day, month and year first before written in accordance with their respective laws.

Signature of the Contactor
_____

Signature of Employer
_____

(Seal) (Seal)

Signed, Sealed and Delivered in the presence of:

Witness: Witness:

_____ _____

(Name, Title and Address) (Name, Title and Address)

(A standard contract is signed with the successful bidder within 15 or 7 days of issuance of acceptance letter in case of PaRRSA and within 30 days for PDMA).

Annexure XIV: Operational Acceptance Testing (OAT) Report

Reference No.: _____ Date: _____

Purchase Order No.		Quantity	
Description			
Model/Type			
Serial No.			
Specification			
Comment on Quality Inspection	Appearance		
	Functionality		
	Technical Requirements		
	Accessories		
	Documentation		
Comments if any			
Checked By		Approved By	

Annexure XV: Fixed Assets Registration Form

Reference No: Registered By: _____Date: _____

<table>
<tr><td>Item Description</td><td colspan="5"></td></tr>
<tr><td>Assets Code.</td><td colspan="2"></td><td>Model/Type</td><td colspan="2"></td></tr>
<tr><td>Brand</td><td colspan="2"></td><td>Receiver Reference</td><td colspan="2"></td></tr>
<tr><td>Serial No.</td><td colspan="5"></td></tr>
<tr><td>Functions/ Specifications Description</td><td colspan="5"></td></tr>
<tr><td>Accessories</td><td colspan="5"></td></tr>
<tr><td>Documentation</td><td colspan="5"></td></tr>
<tr><td>Up gradation/ Maintenance Record</td><td colspan="5"></td></tr>
<tr><td rowspan="5">Purchasing Reference Information</td><td colspan="2">Purchase Order Number</td><td colspan="2">Purchased Value</td><td>Warranty Period</td></tr>
<tr><td colspan="2"></td><td colspan="2"></td><td></td></tr>
<tr><td rowspan="3">Supplier</td><td>Name of Company</td><td colspan="3"></td></tr>
<tr><td>Vendor Address</td><td colspan="3"></td></tr>
<tr><td>Contact Person/Number</td><td colspan="3"></td></tr>
<tr><td>Other Reference Information (if any)</td><td colspan="5"></td></tr>
<tr><td>Sign of registration authority</td><td colspan="5"></td></tr>
</table>

Annexure XVI: Fixed Assets Issuance Form

Asset No: Date:

Receiving person	Department	Designation/Location
Item Description		
Quantity Issued		Assets Code.
Serial No.		
Model/Specification		
Accessories		
Documentation		
Received By		
Issued By		

Annexure XVII: Purchase Requisition Form

Reference No: ABC/00 Date: ___/___/___

Applicant	**Department/Location**	**Designation**
Item Description(Name of Item Required)		
Model/Type		
Quantity required		**Estimated Cost** **(Filled by Pro. Personnel)**
Pro Plan Reference (if activity already plan)		
Available Budget if any		
Specifications/Technical Requirements In detail(Shall be written in Detail)		
Applicant Signature		

Signature of Controlling Officer	**Recommended by Section Head**
Approved By DG (PDMA-PARRSA)	

Annexure XVIII: Bid Opening Check List

Bid Opening Checklist

(To be filled out for each bid as it is read out)

Contract Reference: _____

Bid Opening Date: _____

Name of Bidder _____

a. Is outer envelope of bid sealed? _____

b. Is bid form completed and signed? _____

c. Required bid validity Date. _____

d. Is bid is valid for desired period? _____

e. (If no bid may not be accepted)

f. Amount of bid security (if required) _____

g. Any alternative bid allowed and made _____

h. Describe any discounts or modifications offered _____

i. Name of bidder or representative _____

j. Total bid price (read out) _____

k. Other required documents attached, as envisaged in NIT, Bidding documents or IFQ etc. Specify "Yes or No" _____

_____

Signature of responsible official (s). _____

Date _____

Annexure XVIII (A). Bid Evaluation Report Specimen

Bid Evaluation Report

Name of Procuring Agency: _____

Tender Reference No: _____

Tender Description/Name of work/item: _____

Method of Procurement: _____

Tender Published: _____*Print & Electronic Media (ID No of SPPRA Website & News papers names with dates)*

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

Financial Bid Opening date: _____

Total Bid documents purchased; _____

Total Bids Received: _____

Bid(s) Rejected: _____

Sample Bid Evaluation Report:

S No	*Name of Firm or Bidder*	*Cost offered by the Bidder*	*Ranking in terms of cost*	*Comparison with Estimated cost (if any)*	*Reasons for acceptance/ rejection*	*Remarks*
1.	A					
2.	B					
3.	C					
4.	D					

Signatures of the Members of the Committee.

Annexure XIX: Procurement Record

Check List for Procurement Records

Contract Number: _____ Bid Number: _____

Supplier Name: _____ Bid Title: _____

Date: _____ Procurement Contact: _____

Sr. No.	Documentation type	Included in file (specify page no if possible)	Comments
1.	Approved signed procurement requisition		
2.	Product Specifications/ Services descriptions/Works details		
3.	Budget Estimates		
4.	Administrative approval of Competent Authority for initiation of procurement		
5.	Procurement Plan reference (if applicable)		
6.	Bidders list		
7.	Pre-qualification document (if applicable)		
8.	Record of advertisement (in case of open tender) OR Request of Quotations (in case of limited tendering)		
9.	Bidding documents		
10.	Bid security documentation		
11.	Record/minutes of pre-bid conference		
12.	Modification to bidding documents (if any)		
13.	Record of receipt of such modification to prospective bidders.		

14.	Proposals from suppliers		
15.	Record of bid opening		
16.	Record of bid evaluation		
17.	Record of qualification documents		
18.	Record of supply order/ work order/Letter of Acceptance (LoA)		
19.	Performance Guarantee documents (if applicable)		
20.	Signed Contract		
21.	Bidder notification		
22.	Miscellaneous correspondence		

Annexure XX: Financial Thresholds

(The following thresholds have been set forth in draft KP Public Procurement Rule, 2008. However the following can be used after approval and notification of these rules, and may amend if change)

Procurement Method	Source of Invitation for bids	Thresholds *(As per Draft KP PPR-2008 (GoKP) in PKR	Remarks
Goods			
Petty Purchases	a). By obtaining single quote through direct sourcing	1/- to 45,000	
Request for Quotations (RFQ)	Minimum three Quotations	45,000/- to 150,000/-	
Direct Contracting and Emergency Procurement *			For all direct contracting and single source selection, the prescribed rules under KP PPRA Rules, 2012
Open Tendering through Advertising on the website	Advertise on KP PPRA website, procuring entity website.	151,000 /- to 2,500,000/-	It can also be advertised through print media if deemed necessary.
Open Tendering	Print Media (newspapers with wide circulation as well as websites of KP PPRA and procuring entity.	Over 2,500,000/-	At least two national dallies, English and Urdu.

Procurement Method	Source of Invitation for bids	Thresholds *(As per Draft KP PPR-2008 (GoKP) in PKR	Remarks
Works			
Petty Purchases	a). By obtaining single quote through direct sourcing	1/- to 45,000	
Request for Quotations (RFQ)	Minimum three Quotations	45,001/- to 300,000/-	
Open Tendering through Advertising on the website	Advertise on KP PPRA website, procuring entity website.	300,000 /- to 2,500,000/-	It can also be advertised through print media if deemed necessary.
Open Tendering	Print Media (newspapers with wide circulation as well as websites of KP PPRA and procuring entity.	Over 2,500,000/-	At least two national dallies, English and Urdu.

Procurement Method	Source of Invitation for bids	Thresholds *(As per Draft KP PPR-2008 (GoKP) in PKR	Remarks
Consulting Services			
Petty Purchases	a). By obtaining single quote through direct sourcing	1/- to 45,000	
Request for Quotations (RFQ)	Minimum three Quotations	45,001/- to 150,000/-	
Open Tendering through Advertising on the website	Advertise on KP PPRA website, procuring entity website.	150,001 /- to 2,500,000/-	It can also be advertised through print media if deemed necessary.
Open Tendering	Print Media (newspapers with wide circulation as well as websites of KP PPRA and procuring entity.	Over 2,500,000/-	At least two national dallies, English and Urdu.

Annexure XXI of Khyber Pakhtunkhwa Procurement of Goods, Works and Services Rules, 2003

GOVERNMENT OF THE NORTH WEST FRONTIER PROVINCE, FINANCE DEPARTMENT NOTIFICATION

29th December 2003.

No. SO (FR)/9-7/2002.---In exercise of the powers conferred by section 45 of the North West Frontier Province Procurement of goods, Works, Services, and consulting Services Ordinance , 2003 (N.W.F.P Ordinance No. XVIII of 2002), the Government of the North – West Frontier Province is pleased to make the following rules, namely;

THE NORTH WEST FRONTIER PROVINCE PROCUREMENT OF GOODS, WORKS AND SERVICE RULES 2003

CHAPTER-I
GENERAL PROVISIONS

1. **Short title and commencement.** – (1) these rules may be called the North – West Frontier Province Procurement of Goods, works and Services Rules, 2003.
   (2) They shall come into force at once.

2. **Definitions.**– (1) In these rules, unless the context otherwise requires, the following expressions shall have the meanings' hereby respectively assigned to them, that is to say:
   (a) "contractor" or "supplier" means according to the context, any potential party or the party to a contract with the Procuring Entity;
   (b) "earnest money deposit" means the amount required to be deposited by a tendered in the shape of bank draft along with his tender indicating his willingness to implement the contract;
   (c) "emergency" means a condition requiring immediate action in cases of disaster and danger e.g. floods, breach of canal etc. to save human life and habitation;
   (d) "Head of Procuring Entity" means the Administrative Secretary of the Procuring Department concerned;
   (e) "post-qualification" means the process by which the tenderers are screened for their capacity and resources to implement the contract before financial bid is considered;
   (f) "pre-qualification" means the process by which the tenderers are first screened for their capability and resources to implement the contract before they are permitted to offer their tenders; and
   (g) "Tender security" means a security provided to the Tender Accepting Authority in pursuance of the award of contract for satisfactory performance of the contract and includes earnest money or such arrangements as bank guarantees, surety bonds, bank drafts and bills of exchange, etc.

3. **General condition for Procurement with Public Funds. –** No liability involving expenditure from public funds shall be created during a procurement proceeding until the Expenditure has been sanctioned by the Governor or an authority to which powers have been delegated under the KP Delegation of Powers under the Financial Rules and Powers of Re-Appropriation rules 2001, and the expenditure has been provided for in the authorized grants and appropriations for the year.
4. **Exceptions to applicability of these rules.** – (1) The provisions of these rules shall not apply

(a) Procurement of essential items and goods of immediate nature in the national calamity as covered under the West Pakistan National Calamities (Prevention and Relief) Act 1985 (W. P Act No. XXXIII of 1958), provided a Committee constituted of the respective District Coordination Officer, District Revenue and Estate Officer, and the Executive District Officer Finance and Planning, makes the procurements;

(b) Procurement for works of emergency nature may be undertaken by Engineer In charge of a Division of a nation building department under the authorization of a superior, not below the Director/Superintendent Engineer or his equivalent may authorize such procurements upon request or recommendations of the Engineer In charge concerned. The Engineer In charge shall immediately obtain the written confirmation of the authorization and forthwith inform the Administrative Secretary, Accountant General and District Coordination Officer concerned stating the nature and probable cost of the procurement being made. The Accountant General shall immediately bring this fact to the notice of the Finance Department

The Administrative Secretary, on the recommendation of the Chief Engineer, shall confirm or direct stoppage of incurring of the liability within 7 days of the commencement of the emergency works and inform the Finance Department, Accountant General and district Coordination Officer concerned; And

(c) Specific procurements as may be notified by Government from time to time.

(2) As and when a request is made to the committee for procurement of any essential items or goods under clause (a) of sub rule (1), or a recommendation for undertaking procurement for emergency works under clause (b) of sub-rule (1) the Committee or the Director/Superintendent Engineer or his equivalent shall dispose of request or recommendation, as the case may be, within 24 hours of its receipt.

(3) Notwithstanding the provisions contained in sub-rule (1) the Government may exempt, in writing, projects funded by International Financial Agencies and foreign donors from the application of these rules as far as they are inconsistent with Agency/Donor procurement guidelines. In such projects

donor procedures shall apply. For ascertaining mode of procurement to be followed, financial limits

As mentioned in these rules shall be observed for greater transparency as illustrated below. For incurring expenditures the provisions of the North-West Frontier Province Delegation of Financial Powers under the Financial Rules and the Powers of Re-Appropriation Rules, 2001, shall be observed.

Illustration: For example in a project a donor and Government provide finances for procuring goods and services. Donor guidelines state that tendering process shall apply for procurements valuing Rs. 100,000 or more, while government tendering procedures apply to procurements of Rs. 40,000 or more. The project while making procurements on basis of quotations (window shopping) for greater transparency. While following tender procedures, donor guidelines as far as they are inconsistent with the Government guidelines shall be observed.

5. **Tender Inviting and Tender Accepting Authority. –** (1) where already not provided under departmental rules, the Procuring Entity may appoint one or more officers or a committee of officers to be Tender Inviting Authority for any specified area, specified procurement or class of goods or services; and

   (2) The Tender Accepting Authority for a specific procurement or class of goods or services shall be the same as specified in NWFP Delegation of financial Powers under the Financial Rules and the Powers of Re-Appropriation Rules 2001.
   (3) Where desirable, the Tender Inviting Authority Accepting may be the same.

6. **Registration of suppliers and contractors.** – The Procuring Entity may register contractor and supplier for supply of goods and services of the value of rupees one million or more or to carry out civil works involving financial implications of rupees five million or more through an advertisement in national dailies. The registration shall be valid for a period of two years, if not terminated earlier by the Procuring Entity.
7. **Pre and Post-qualification of suppliers and contractors. – (1**) for contractors, other than for development works, with estimated cost from rupees forty thousand to rupees five million, financial bid may be called for without pre or post-qualification of bidders. For contracts with estimated cost in excess of rupees five million, the procuring entity may follow pre or post qualification procedure in accordance with the criteria specified in the tender documents.

   (2) For development works contracts with estimated cost from rupees forty thousand to rupees ten million, financial bids may be called for without pre or post qualification of bidders. For developmental works with estimated costs in excess of rupees ten million, the Procuring Entity may follow pre or post-qualification procedure in accordance with criteria specified in the tender documents.

8. **Qualification of suppliers and contractors. –(1)** The Procuring Entity, before registering pre or post- qualifying of contractors or suppliers, as the case may be, shall satisfy itself that the suppliers or contractors, besides additional criterion required by the Tender Inviting Authority—

(a) possess the necessary professional and technical qualifications, professional and technical competence, financial resources, equipment, managerial capability, experience, and personnel to perform the contract;
(b) have legal capacity to enter into procurement contract;
(c) have fulfilled their obligations to pay taxes; and
(d) have not been barred b y a Procuring Entity with regards to their professional conduct or the making of false statements or misrepresentations as to their qualifications to enter into a contract within a period of three years preceding the commencement of the procurement proceedings, or have not been otherwise disqualified pursuant to disbarment proceedings.

(2) The Procuring Entity may require contractors or suppliers participating in procurement proceedings to provide appropriate documentary evidence or other information, as it may deem fit, to satisfy itself that the contractors or suppliers are qualified in accordance with the criteria mentioned in sub-rule (1).

(3) Any other requirement prescribed pursuant to this rule shall apply equally to all contractors and suppliers.
(4) The Procuring Entity shall valuate the qualifications of the contractors or suppliers in accordance with the qualification criteria and procedures set forth in the pre or post-qualification documents, if any, and in the tender documents or other documents for solicitation of proposals, of or quotations.

9. **Disqualification and disbarment of suppliers and contractors.** –(1) The Procuring Entity shall disqualify a contractor or supplier at any time if it finds that the information submitted concerning qualifications of supplier or contractor was false, or a Tender Inviting Authority may disqualify supplier or contractor where it finds at any time that the information submitted concerning qualifications of the contractor or supplier as materially inaccurate or incomplete and the supplier contractor fails to remedy such deficiencies promptly upon request by the Tender Inviting Authority.

(2) A Procuring Entity may debar a contractor or supplier from taking any further part procurement proceeding or in future procurement proceedings in case the contractor or supplier

(a) forms part of a cartel with a view to discourage fair compensation in the bidding process; or
(b) has failed to complete his earlier contract, within a period of three years of initiation of procurement proceedings, on ground that his approved bid was or become unprofitable or would result in suffering or loss; or
(c) Offers or attempts to offer inducement of any sort.

10. Inducements from contractors or suppliers.—The Procuring Entity shall reject a tender proposal, offer or quotation, if the contractor r supplier submitting his offer, gives or agrees to give directly or indirectly, to any current or former officer or employee of the Procuring Entity or of governmental authority a gratuity in form, or an offer of

employment or any other thing of service or value, as an inducement with respect to an act or decision of, or procedure followed by, the Procuring Entity in connection with the procurement proceedings. Such rejection of the tender, proposal, offer quotation and the reasons thereof shall be recorded in the record of the procurement proceedings promptly communicated to the contractor or supplier.

CHAPTER II

PRE OR POST QUALIFICATION PROCEEDINGS

11. Pre or post qualification proceedings:

(l) The Tender Inviting Authority may undertake pre or post-qualification proceedings where required. The provisions of rule 8 shall apply to such proceedings.

(2) If the Tender Inviting Authority undertakes pre or post-qualification proceedings, it shall provide a set of pre or post-qualification documents to each contractor or, supplier who requests the Authority in accordance with the invitation to pre or post-qualify and pays the price, if any charged for those documents.

(3) The pre or post-qualification documents shall include, besides others, if necessary, the following information:

A. instructions for preparing and submitting pre or post-qualification applications;
B. a summary of the required terms and conditions of the contract to be entered into as a result of the procurement proceedings;
C. any documentary evidence or other information required to be submitted by contractors or suppliers to demonstrate their qualifications;
D. the manner and place for the submission of applications to pre or post-qualify and the deadline for the submission, expressed as a specific date and time allowing at least fourteen days from the publishing of advertisement; and
E. Any other requirements that may be prescribed by the Tender Inviting Authority relating to the preparation and submission of applications to pre or post-quality and to the pre or post-qualification proceedings.

4) The Tender Inviting Authority shall respond to request by a contractor or supplier, received at least seven days prior to the deadline for the submission of applications to pre or post-qualify, for clarification of the pre or post-qualification documents.

5) The Tender Inviting Authority shall make a decision, applying only the criteria set forth in the pre or post qualification documents, with respect to the qualifications of each contractor or supplier submitting an application to pre or post qualify.

6) The Tender Inviting Authority shall promptly notify the result of the pre or post qualification proceedings. The Tender Inviting Authority may make available to any member of the general public, upon request, the names of all contractors or suppliers that have been pre or post qualified.

12) <u>Rules concerning documentary evidence provided by contractors or suppliers:</u>

The Tender Inviting Authority shall not impose any additional conditions as to the legalization of the documentary evidence other than those provided for in the regulations relating to the admissibility of documents in question, if it requires the legalization of

documentary evidence provided by contractors or suppliers to demonstrate their qualifications in procurement proceeding.

13) procedures for inviting tender or application to pre or post-qualify

1) The Tender Inviting Authority shall invite applications to pre or post-qualify or where applicable an invitation to tender, through a notice to be published in at least two newspapers (one each in English and Urdu language) having wide circulation.

2) Where possible the notice of invitation shall be hoisted on the official website.

14) Contents of invitation to pre or post qualify and invitation to tender

1) The invitation to pre or post-qualify and invitation to tender, as the case may be, shall contain the following information:

a) the name and address of the Tender Inviting Authority
b) the nature and quantity, and place of delivery of the goods to be supplied, the nature and location of the works to be undertaken, or the nature of the services and the location where they are to be provided
c) the desired or required time for the supply of the goods or for the completion of the works, or the timetable for the provision of the services
d) the criteria and procedures to be used for evaluating the qualifications of contractors or suppliers
e) the means and place for obtaining the tender documents
f) the price, if any, charged by the Tender Inviting Authority for the pre-qualification or, tender documents
g) the currency and, means of payment for the pre or post qualification, or tender documents; and
h) The place and deadline for the submission of tenders.

2) Where a Procuring Entity intends to allow payment of mobilization advance, the fact shall be mentioned in the tender documents along with terms and conditions, approved by Government for payment of the advance.

15) Furnishing of Earnest Money / Tender Security

1) The Tender inviting Authority shall require all tenderers to deposit an earnest money.

2) The earnest money shall be 2% of the estimated cost of procurement. Tender submitted without depositing earnest money shall be summarily rejected. The successful bidder shall pay 10% of the bid price as tender security through deduction from payments as detailed in the contract agreement where tender security in shape of bank guarantee has not been asked for. Earnest money deposited by successful bidder shall be counted towards tender security and deposited in Treasury under relevant Head of Account.

3) The tender documents shall specify the period for which the tenderer should hold

the prices offered in the tender valid; provided that the initial period of validity shall not be less than ninety days.

4) The tender documents and the contract shall include a clause for payment of liquidated damages and penalty payable by the tenderer in the event of non-fulfillment of any of the terms of the contract, besides forfeiture of earnest money or tender security.

16) Supply of tender documents

1) The Tender Inviting Authority shall make available the tender documents from the date indicated in the notice inviting tender.

2) The Tender Inviting Authority shall ensure that the tender documents are made available to any person who has remitted the cost of the documents as notified by the Government.

Provided that in cases where the Procuring Entity has a system of registration or pre-qualification of suppliers or contractors, the tender documents will be supplied only to registered or prequalified suppliers or contractors in the appropriate class, as the case may be.

3) The Tender Inviting Authority shall promptly deposit in the treasury the sale proceeds of the documents on the day of its receipt or at the latest on the following working day.

17. Clarification to tender documents. – (1) The Tender Inviting Authority may make any canes, modifications or amendments to the tender documents at any time after the issue of the tender documents and before the opening of the tender documents. The Tender Inviting authority, if required, may reasonably extend the time for deposit of the bid whenever changes, modifications or amendments to tender documents are made.

(2) If the Procuring Entity convenes a meeting of contractors or suppliers, it shall prepare minutes of the meeting containing the requests submitted at the meeting for clarification of the tender documents, and its responses to those requests. The minutes shall be provided promptly to all suppliers or contractors to whom the Tender Inviting Authority provided promptly to all suppliers or contractors to whom the Tender Inviting Authority provided the tender documents.

CHAPTER – III
RECEIPT OF TENDERS AND TENDER OPENING

18**. Place and time for receipt of tenders** :-(1) The Tender inviting Authority, shall ensure that adequate, arraignments are made for the, proper receipt and safe custody of the tenders at the place indicated for the receipt of tenders.

(2) The Tender Inviting Authority shall permit the submission tenders by, post or courier; provided that the Tender Inviting Authority shall not be responsible for any, delay or loss in transit.

(3) The Tender Inviting Authority may extend the last date and time for receiving tenders after giving adequate notice to all intending tenderers in cases where:-

(a) The publication of the tender notice has been delayed;

(b) The communication of changes in the tender documents to the prospective, tenderers took time; and

(c) Any other reasonable ground for such extension which shall be recorded in writing by the Tender Inviting Authority.

19. **Marking of covers in which the tender is submitted**.-The tenderers shall be responsible for properly super scribing and sealing the cover in which the tender is submitted. The tender Inviting Authority shall not be responsible for accidental opening of the covers that are not properly super scribed and sealed before the time appointed for tender opening.

20. **Minimum time for submission of tenders** ;-(I) The Tender Inviting Authority shall ensure that adequate time is provided for the submission of tenders. A minimum of thirty days shall be allowed between date of publication of the Notice Inviting Tenders and submission of tenders.

(2) Any reduction in the time stipulated under sub-rule (1) may be specifically authorized by the Head of the Procuring Entity for reasons to be recorded in writing.

21. **Opening of tenders**: - (l), All the tenders received by the Tender Inviting Authority shall be opened at the time specified, in the Notice Inviting Tenders and in cases where an extension of time. The submission of tenders has been given subsequent to the original Notice Inviting Tenders. In accordance with sub-rule (3) of rule 18, at the time so specified subsequently.

(2) The tenders will be opened in the presence of the tenderers or representatives of the tenderers who choose to be present.

22. **Procedure to be followed at tender opening:** -The following procedure shall be followed at the tender opening:

(a) All the envelopes received containing tenders shall be counted and initialed by the Tender Inviting Authority;

(b) The names of contractors or suppliers who have withdrawn their tenders shall be announced.

(c) All the tenders received in time shall be opened;

(d) A record of the corrections noticed at the time of the bid opening shall be maintained;

(e) The name of the tenderers and the quoted prices shall be read out. The price shall be circled in ink and page initialed by the Tender Inviting Authority:

(f) The fact whether earnest money security has been deposited and other documents required, have been produced shall be indicated;
(g) Minutes of the tender opening shall be recorded.

CHAPTER IV

TENDER EVALUATION

23. Tender Evaluation Committee.-(1), Tender Accepting Authority may constitute a Tender Evaluation Committee, if already; not constituted under departmental rules, consisting of such Officers as it deems fit to supervise opening, of tenders, scrutinize and evaluate the tender documents, carry out the preliminary examination and detailed evaluation of the tenders received and to prepare all' evaluation report for the consideration of the Tender Accepting Authority.

(2) The Tender Accepting Authority shall constitute the Tender Evaluation Committee, **where the value of tender exceeds rupees five million.**

(3) The Tender Evaluation Committee may generally follow the guidelines laid down in the Appendix to these rules in its proceedings.

24. **Tender evaluation to be in accordance with evaluation criteria**.-The Tender Accepting Authority shall cause the evaluation of tenders to be carried out strictly in accordance with the evaluation criteria indicated in the tender documents.

25. Time taken for evaluation and extension of tender validity.-(I) The Tender Evaluation Committee shall complete evaluation of the bids within **fifteen days** of their opening or from the date of its constitution, if constituted after opening of tenders. **A further extension of ten days may be accorded by the Tender Accepting Authority for reasons to be recorded in writing.**

(2) The Tender Accepting Authority shall seek extension, in exceptional circumstances with the approval of the Head of Procuring Entity, of the validity of tenders from the tenderers for the completion of evaluation, if it is not completed within the validity period of tender.

(3) In case the evaluation of tenders and award of contract is not completed, within extended period, all the tenders shall be deemed to have become invalid and fresh tenders may be called for.

26. Process of tender evaluation to be confidential until the award of the contract is notified. – (1) -The Procuring Entity shall ensure the confidentiality of the process of tender evaluation until final orders on the tenders are passed.

(2) Tenderers shall not make attempts to establish unsolicited and unauthorized contact with, the Tender Accepting Authority, Tender Inviting Authority or Tender Evaluation Committee after the opening of the tender and prior to the notification of the award. Any attempts by the tenderer to bring to bear extraneous pressures on any of the above Authorities or Committee shall be sufficient reason to disqualify the tenderer.

(3) Notwithstanding anything contained in sub-rule (2), the Tender Evaluation Committee may seek bonafide clarifications from tenderers relating to the tenders submitted by them during the evaluation of tenders. Changes, if any, in the bid amount as a result of the clarifications shall be recorded separately

27. **Initial examination to determine substantial responsiveness.** – (1) The Tender Inviting Authority shall cause an initial examination of the tenders submitted in order to determine their substantial responsiveness.

(2) During the initial examination the following factors shall be considered:

(a) whether the tenderer meets the eligibility criteria laid down in the tender documents;

(b) whether tender form has been duly signed;
(c) whether the requisite earnest money has been deposited; and
(d) Whether the tender is substantially responsive to the requirement set out in the bidding documents including the testing of samples where required.

(3) Tenders found to be substantially unresponsive, on initial examination, under any of the clauses under sub-rule (2) may be rejected by the Tender Accepting Authority. A bidder whose bid has been held unresponsive shall be informed of the reasons in writing upon request.

28. Determination of the lowest evaluated price. – (1) of the tenders to be substantially responsive after the initial examination, the qualified tenderer who has bid the lowest evaluated price in accordance with the evaluation criteria shall be determined.

(2) In determining the lowest evaluated price, the following factors shall be considered namely:

(a) the quoted price shall be corrected for arithmetical errors;
(b) in case of discrepancy between the prices quoted in words and in figures, lower of the two shall be considered; and
(c) The evaluation shall include all taxes and duties inclusive of local levels as a part of the price.

29. Preparation of evaluation report and award of tenders. – (1) Tender Evaluation Committee or the officer inviting, the tender shall prepare detailed evaluation report which shall be considered by the Tender Accepting, Authority before taking a final decision on the tender. The contract shall be awarded only to a tenderer qualified in accordance with the criteria set out, whose bid has been determined to be responsive to the tender documents, and who has offered the lowest price or lowest evaluated price as the case may be. While accepting the bid it will be ensured that the same is reasonable.

(2) Where the lowest price or the lowest evaluated price is not accepted the Tender Accepting Authority shall record reasons in writing
(3) As soon as the, tenderer qualified to, perform the, contract is identified the Tender Accepting Authority shall pass orders accepting the tender and communicate the order of acceptance to the successful tenderer.
(4) The tenderer whose tender has been accepted shall execute a contract agreement in the specified format within **thirty days** of the dispatch of the decision of tender acceptance.
(5) If the tenderer whose tender has been accepted fails to sign the contract; or fails to provide any required security for the performance of the contract, the Procuring Entity shall order the forfeiture of earnest money and shall give order of acceptance to second lowest or ill case of the second bidder to the third lowest bidder and so on, on the same term of forfeiture of earnest money.

30. **Return of, earnest money or tender security**. –The Tender Inviting Authority Shall return the earnest money or tender security deposited with the tender or contract when:

(a) the period for which earnest money or tender security was valid expires;

(b) the termination of the tendering proceedings without its culminating in signing, of a contract; or,
(c) the withdrawal of the, tender prior to the deadline for submission of tenders provided the Tender Inviting' Authority receives the notice to· withdraw prior to the deadline for submission of tenders.

31. Record of procurement proceedings. – (1) The tender Inviting Authority shall maintain a record of the procurement proceedings as detailed below:

(a) a brief description of the goods, works or services to be procured, or of the procurement need for which the Tender Inviting Authority requested proposals or offers;
(b) the names and addresses of contractors or suppliers that submitted tenders proposals, offers or quotations, and the name and address of the supplier or contractor with whom the contract is entered into and the contract price;
(c) information relative to the qualifications or non-submission of any such qualifications, of suppliers or contracts that submitted tenders, proposals, offers or quotations;
(d) the price, or the basis for determining the price, and a summary of the other principal terms and conditions of each tender, proposal, offer or quotation and of the procurement contract, where these are known to the Tender Inviting quotations;
(e) a summary of the evaluation and comparison of tenders, proposals, offers or quotations;
(f) if all tenders, proposals, offers or quotations were rejected pursuant to rule 32, a statement to that effect and the grounds therefore; and
(g) the information required by sub-rule (2) of rule 8, of a tender, a proposal, offer or quotation was rejected pursuant to that provision.

(2) The record referred to in clause (a) and (b) of sub-rule (1) of this rule shall, on request, be made available to any person after a tender, proposal, offer or quotation, has been accepted or after procurement proceedings have been terminated without resulting in a procurement contract.

(3) The Procuring Entity shall not be liable to contractors or suppliers for damages owing to failure to maintain a record of the procurement proceeding.

32. Rejection of all tenders, proposals, offers or quotations. –(1) Subject to approval by Head of the Procuring Entity the Tender Accepting Authority may reject all tenders, proposals, offers or quotations at any time prior to the acceptance of a tender, proposals, offers or quotation. However, before rejection of tender on basis of the bid being unworkable, the bidder shall upon request be given an opportunity to give a detailed analysis of workability on this bid.

(2) The Procuring Entity shall incur no liability by virtue of invoking its authority under sub rule (1) towards contractor or supplier that has submitted tenders, proposals, offers or quotations.
(3) Notice of the rejection of all tenders, proposals, offers or quotations shall be given to contractor or supplier that submitted tenders, proposals, offers o quotations.

33. Rules concerning description of goods, construction or services. – (1) The technical specifications contained in the tender documents shall include a detailed description of goods, works or services that are to be procured.

(2) Unbiased technical specifications shall be prepared by observing the following safeguards, namely:

(a) Use of brand names and catalogue numbers shall be avoided and where it becomes unavoidable, along with the brand name the expression "or equivalent" shall added;
b) In the case of works tender, the technical authorities shall prepare estimates based on the schedule of rates as revised from time to time.

3) Extension in delivery of goods shall not be allowed as a matter of routine. Where necessary extensions may be allowed subject to:

a) Liquidated damages at the rate of 2% of the value of undelivered goods/equipment per month or a part thereof and shall be recovered from payments due to the supplier from the contract or from other Procuring Entities.

b) extensions beyond a period of one month may he allowed after obtaining further security of 2.5 % of the value of the contract from registered firms and 5% from unregistered firms

c) Extension shall not be granted where higher prices were accepted due to short delivery period offered by the supplier

4) Payment for goods and equipment procured under these rules shall be made after a confirmation has been received from the supplier and the consignee that the goods and equipment supplied/received are in accordance with the advertised specifications and of desired workmanship / quality.

34) Modes of Procurement

1) Except as otherwise provided by these rules, a Procuring Entity for the procurement of goods, works or services shall adopt tendering proceedings.

2) For purposes of transparency, fair competition and efficiency, the Procuring Entity shall cause evaluation of offers, proposals or tenders only where a minimum of three responses have been received, unless the Head of the Procuring Entity authorizes the evaluation of less than three tenders after publishing a Notice Inviting Tenders for a second time in the newspapers of wide circulation and for cogent reasons to be recorded in writing.

35) Request for quotations

Where the estimated value of the procurement is less than the amount set forth in rule 7 of the North West Frontier Province Delegation of Financial Powers under the Financial Rules and the Powers of Re-Appropriation Rules, 2001, the following procedure shall be observed;

provided that a Procuring Entity shall not divide its procurement into separate contracts for the purpose of this rule:

a) The Procuring Entity shall request quotations from as many contractors of suppliers as practicable. However, in no case the number of quotations shall be less than three;

b) The Procuring Entity shall entertain a single price quotation from each contractor or supplier and the contractor or supplier shall not have the right to modify or change the quotation once submitted: and

c) Contract shall be awarded to the contractor or supplier whose quotation is the lowest-priced and meets the specifications and quality needs of the procuring entity.

36) Single source procurement

Subject to approval by Head of the Procuring Entity, a Procuring Entity may engage in single-source procurement when:

a) the goods, construction or services are available only from a particular contractor, supplier, or a particular contractor or supplier has exclusive rights in respect of the goods construction or services, and no reasonable alternative or substitute exists; or

b) the Procuring Entity having procured goods, equipment, technology or services from a contractor or supplier, determines that additional supplies must be procured from that supplier or contractor, for reasons of standardization or because of the need for compatibility with existing goods, equipment, technology or services, taking into account the effectiveness of the original procurement in meeting the needs of the Procuring Entity, the limited size of the proposed procurement, in relation to the original procurement, the reasonableness of the price and the unsuitability of alternatives to the goods or services in question; or

c) The works to be undertaken by a department fall under the category of petty works as defined in the North-West Frontier Province Delegation of Financial Powers under the Financial Rules and the Powers of Re-Appropriation Rules, 2001.

37) Negotiations

The Tender Accepting Authority with the approval of the Head of Procuring Entity may enter into negotiations with the supplier awarded contract under the provisions of rule 36, to safeguard against quoting of exorbitant prices and to ensure that prices are reasonable keeping in view the requirements of the procurement.

38) Repeat Order

1) Subject to the approval of Head of the Procuring Entity, a Procuring Entity may enter into fresh agreement with a contractor or supplier to ensure interests of Government and for reasons of economy, compatibility and efficiency for supply of similar goods provided:

a) A period of not more than four months has elapsed from the date of the earlier contract having come into force;

b) The Procuring Entity has satisfied itself from market survey that the price of the goods has not decreased in the open market; and

c) The value of repeat order is not more than thirty percent of the earlier contract for supply of goods or rupees one million whichever is less.

2) There shall be not more than one repeat order for an original contract.

39) Restricted Tendering

Subject to approval by Head of the Procuring Entity, the Tender Inviting Authority may, where necessary for reasons of economy and efficiency, engage in procurement by means of restricted tendering when the goods, construction or services, by reason of their being highly complex or of specialized nature, or are available only from a limited number of contractors or suppliers.

40) Two-envelope tendering

1) In the case of construction or supply and installation of goods, equipment or tenders where post qualification procedure is being followed, the Tender Inviting Authority shall follow the two-envelope tender system as detailed below:

a) the first envelope shall contain

i) the experience and past performance in the execution of similar contracts
ii) the capabilities with respect to personnel, equipment and construction or manufacturing facilities;
iii) the financial status and capacity; and
iv) any other information asked for by the Tender Inviting Authority in the notice inviting proposals or tenders; and

b) the second cover shall contain the price quoted by the tenderers.

2) The Tender Inviting Authority shall cause the first cover to be opened first and evaluate the tenderer's capacity and resources on the basis of criteria specified in the tender document and on this basis, prepare a list of technically qualified tenderers.

3) The Tender Evaluation Committee shall open the second envelope containing the price quotations or only those tenderers who arc found technically qualified under sub-rule (2).

41) Period of effectiveness of tenders modification and withdrawal of tenders

1) Tenders shall be in effect during the period of time specified in the tender documents.

2) Prior to the expiry of the period of effectiveness of tenders, the Tender Inviting Authority may request contractors or suppliers to extend the period for an additional specified period of time. A contractor or supplier may refuse the request without forfeiting his earnest money, and the effectiveness of its tender will terminate upon the expiry of the un-extended period of effectiveness.

3) Supplier or contractors that agree to all extension of the period of effectiveness of their tenders shall extend or procure an extension of the period of effectiveness of securities provided by them or provide new securities to cover the extended period of effectiveness of their tenders. A contractor or supplier whose security is not extended, or who has not provided a new security, shall be considered to have refused the request to extend the period of effectiveness of his tender.

4) Unless otherwise stipulated in the tender documents, a contractor or supplier may modify or withdraw his tender prior to the deadline for the submission of tenders without forfeiting his earnest money. The modification or notice of withdrawal shall be effective if the same is received by the Procuring Entity prior to the deadline for the submission of tenders.

Chapter V

ACCEPTANCE OF TENDERS AND REVIEW

42) Acceptance of tender and entry into force of procurement contract

1) When a tender has been accepted a notice of acceptance of the tender shall be given promptly to the contractor or supplier submitting the tender provided that the Tender Accepting Authority shall ensure that Standard Declaration Form as prescribed in Schedule annexed to North West Frontier Procurement of Goods, Works, Services and Consulting Services Ordinance 2002, has been duly signed by the Tender Evaluation Committee.

2) The Procuring Entity and the contractor or supplier shall sign a written contract within thirty days of the dispatch of the notice referred to in sub-rule (I) to the supplier or contractor.

3) The contract shall enter into force when the contract has been signed by the contractor or supplier and by the Procuring Entity and tender security, if required, has been deposited with the Procuring Entity.

4) Where the tender documents stipulate that the procurement contract is subject to approval by a higher authority, the procurement contract shall not enter into force before that approval is obtained.

5) Upon entering into contract with a contractor or supplier, notice of the award or contract shall be given to other contractors or suppliers, specifying the name and address of the contractor supplier that has entered into the contract.

43) Review

1) Unless the procurement contract has already entered into force, a contractor or supplier feeling aggrieved by the order of a Procuring Entity accepting a tender may file an application for review of the decision, clearly mentioning the date of acceptance of tenders and material defects and non-observance of rules in the order accepting the tenders, to:

a) the Head of the Procuring Entity if the tender has been accepted by an authority other than the Head of the Procuring Entity or to the Secretary Industries Department where the Head of the Procuring Entity has accepted the tender or the Secretary Law Department where Industries Department is the Procuring Entity for procurements made with Provincial Government funds or funds channeled through the Provincial Government.

b) the District Coordination Officer if the tender has been accepted by a Procuring Entity of a devolved department or to the Secretary Local Government and Rural Development Department where the District Coordination Officer is the Procuring Entity for procurements made with district government funds.

2) The applicant shall not be entitled to modify the review application after its submission

3) The reviewing authority shall not entertain an application unless it has been submitted within 10 days from the dispatch of the communication of the Procuring Entity's decision and a copy of the application for review have been provided to the Tender Accepting Authority.

4) The reviewing authority shall not entertain a complaint, or continue to entertain a complaint, after the procurement contract has entered into force

5) The reviewing authority shall, within 20 days after the submission of the complaint, a written decision. The decision shall:

a) state the reasons for the decision; and

b) if the complaint is upheld in whole or in part, indicate the corrective measure are to be taken.

In case no decision is made by the reviewing authority, the Tender Accepting Authority without waiting for the outcome of the application for review may enter into a contract with the successful bidder.

APPENDIX

GENERAL PRINCIPLES FOR EVALUATIO OF APPLICATIONS FOR PRE-QUALIFICATION AND TECHNICAL BIDS FOR POST QUALIFICATION

Applications for pre-qualification or technical bids for post-qualification should normally be evaluated using a three-stage process:

Stage I	-	Preliminary Screening
Stage II	-	Detailed Evaluation
Stage III	-	Determination of Pre-qualified Applicant or Post-qualified Bidder

A pre-qualification application or technical bid for post qualification that does not meet the stage I criteria shall not normally be passed for detailed evaluation. Implementing / executing agencies may wish to seek clarification from bidders or verify certain aspects of the application/technical bid, which may be appropriate during both Stage I and 2. Where clarification is sought from an applicant/tenderer, the date should be specified by which a response must he received if it is to be considered. All clarifications and verifications should be completed before the authority finalizes its pre/post-qualification recommendations.

STAGE 1: PRELIMINARY SCREENING

Screening Criteria:

Should typically establish that:

- The applicant/bidder is eligible for award of contract.
- The applicant/bidder has submitted a responsive application/tender document, and
- The applicant/bidder is commercially acceptable.

Recording of the Preliminary Screening

The record sheet should list the criteria given above, the 'indicators' used to establish whether the applicant / bidder's response is acceptable, or additional indicators, if added, and the assessment that the executing agency should make about the preliminary screening. The applicant / bidder should not be notified of pre / post-qualification outcomes until the approval is given.

Indicators of Compliance

Compliance with the three preliminary or additional screening criteria can be assessed using 'pass/fail' evaluation.

Indicators of Eligibility:

The pre or post-qualified bidders must meet both of the following requirements:

i. a bidder (including all members of a joint-venture (JV) and all subcontractors of a bidder) should be a national of an eligible source;

ii. a bidder (including all members of a JV and all subcontractors of a bidder) should not be affiliated with a firm or entity

a) that has provided consulting services during the preparatory stages of the works or of the project of which the works form a part, or

b) that has been hired (or is proposed to be hired) as Engineer for the Contract

The instructions to bidders for pre/post-qualification should state these eligibility requirements and request appropriate declaration, which can then be reviewed during preliminary screening. It should nevertheless be understood that being determined as eligible at the pre/post-qualification stage would be subject to further verification, if required, before award of contract.

6) Any contractor or supplier or any governmental authority whose interests are, or could be, affected by the review proceedings has a right to participate in .the review proceedings. A contractor or supplier who fails to participate in the review proceedings shall be barred from subsequently making a similar claim.

7) the decision of the reviewing authority shall be final and shall not be called in question in any court of Law.

SECRETARY TO GOVERNMENT OF NWFP
FINANCE DEPARTMENT