



Belize Procurement Week

Bridging the gap between local supply capabilities and the demand for works, in Inter-Development Bank (IDB) and Caribbean Development Bank (CDB) financed projects.

BELIZE PROCUREMENT WEEK November 4th – 8th 2024





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PENDA
CONSULTING & DEVELOPMENT

Belize Procurement Week

Empowering Tomorrow's Bidders for Success

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Common Errors with Case Studies

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Overview



- ❑ Key Principles to Inform Effective Bidding
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Common Errors & How to Mitigate

Key Principles to Inform Effective Bidding



Timeliness



Accuracy



Quality



Integrity

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Considerations for Bid Preparation

Shortcomings

Not obtaining bidding documents directly from the Procuring Entity

Failing to read and seek clarification on Bid Requirements

Not Attending Site Visits / Pre-Bid Meetings

Missing Signatures, Poor Labelling, Presentation & Layout

Sanctioned/committing Prohibited Practices, including misrepresentation & Conflict of Interest

Late Bid Submissions

Consequences

Unsure document is complete, correct and might miss updates like links to virtual pre-bid meetings

Requirements not clarified/errors corrected to allow the Bidder to prepare the optimum bid

Missed opportunity to see site conditions or ask questions

Rejected Bids, difficulty in reading out bids or evaluating

Disqualification, Debarment & Discredit to Reputation

Rejected Bids

Best Practices

Request bidding document only from the Procuring Entity

Ask for clarification in writing by stipulated time

Assign a representative to attend Site Visits & Meetings and take notes

Accurate Labelling & Use of templates when provided

Taking time to understand Integrity requirements in the bidding document

Submit on time

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Considerations for Bid Opening Stage

Shortcomings

Unsealed envelope

If submitting electronically, not providing passwords in a timely manner

Omission of signatures and Form of Bid, Bid Security / Bid Securing Declaration

Raising questions, concerns and commercial information

Consequences

Bid submission unidentified and rejected

Unable to open bids securely and timely

Bid Rejected

Information that should not be disclosed at a public forum might compromise the process.

Best Practices

Ensure packages are sealed and correctly labelled

Ensure passwords are provided within the stipulated period.

Sign and submit Letter of Bid, Bid Security / Bid Securing Declaration using template provided by Procuring Entity.

Follow the procedures set out in the bid document.

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Substantial Responsiveness and Material Deviations

- ❑ "A substantially responsive Bid is one that meets the requirements of the Bidding Document without material deviation, reservation, or omission.

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

- ❑ (a) if accepted, would:
 - (i) affect in any substantial way the scope, quality, or performance of the Works' Requirements as specified in Section VII; or
 - (ii) limit in any substantial way, inconsistent with the Bidding Document, the Employer's rights or the Bidder's obligations under the proposed Contract; or
- ❑ (b) if rectified, would unfairly affect the competitive position of other Bidders presenting substantially responsive Bids."

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Commons Errors Found at Preliminary Examination Stage

Verification

- All pages of Bid where entries have been made, shall be signed or initialed by the person authorised to sign the Bid
- Particularly important that Letter of Bid signed
- Authorisation for the signatory to sign the bid shall form part of the bid
- In case of Joint Venture (JV), a copy of JV Agreement or intent to form a Joint Venture not be included

Eligibility

- Not conforming to eligibility and Eligible Countries

Bid Security / Bid Securing Declaration

- Unsigned or omission of Bid Security / Declaration in accordance with ITB
- Format, validity and currency inconsistent with bidding requirements

Completeness of Bids

- Incomplete Bidding Forms under Section IV of the Bidding document

Substantial Responsiveness

- Bids that fail Verification, Eligibility, Bid Security, or Completeness of Bids should not be examined further, and not subjected to detailed evaluation.

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Material Deviations found during Detailed Evaluation Stage Resulting in Bid Rejection

Technical

- failure to respond to essential Requirements;

Financial

- requesting that a price adjustment clause be included in the contract, where the Bidding documents require that Bids shall be submitted based on fixed prices;
- Submitting Abnormally Low Bids

Contractual

- Attempting to subcontract in a substantially different manner or amount than is permitted by the Bidding documents
- refusal to accept the purchaser's country as the law applicable to the contract;
- refusal to comply with critical provisions in response of such items as taxes and duties or dispute resolution procedures;
- refusal to bear important contractual responsibilities or liabilities as allocated to the contractor by the Bidding documents, such as insurance coverage.

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Qualification Requirements for the Recommended Bidder

Financial Capability

- **Average Annual Turnover:** Evidence of a certain value calculated as total certified payments received from contracts in progress or completed within a last required number of years.
- **Financial Resources:** Evidence of Minimum liquid assets of a required value.

Contractor's Experience

- **General Experience:** Evidence of contracts in the role of contractor, sub-contractor or management contractor for at least a required number of years prior to the Bid submission deadline with activity in for a required period in each year.
- **Specific Experience:** Participated as a contractor, management contractor or subcontractor in at least a given number of similar contracts of at least a similar contract value in size over a last required number of years.

Key Personnel

- **Personnel:** CV's must meet/exceed required experience and academic qualifications for each key role.

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Methodology Vague/ Too Concise

Section II. Bid Data Sheet (BDS)

GCC 2.3

The following documents also form part of the Contract:

The Contractor's **Methodology** and work plan including details of all sub-

The Bidder shall submit Management Strategies and Im (MSIP) to manage the following key Environmental, Safety (ESHS) risks and impacts, that are collectively Contractor's Environmental and Social Management P are to be developed according to the Project's Environ Assessment (ESA), the Project Specific Environ Framework (ESF), and Environmental and Social (ESMP) and the respective IDB Environmental and (ESAP).

A **comprehensive Project Methodology** that outlines be executed including a list of Key Personnel, an organ quality control plan, a comprehensive Gantt chart (two with the required construction sequence and duration) utilized, and details including experience and capacity contractors. Comprehensive details (including CVs) on must be included:

- Contract Manager with at least eight (8) years of proven experience in the management and supervision of earth movement works or road construction. Experience in similar engineered sanitary landfill and geosynthetics installation (HDPE lining) will be considered an asset.
- Two Site Supervisors with at least five (5) years of proven experience in the supervision of earth movement works or road construction.

Section VI. Special Conditions of Contract

contractors and key personnel.

Belize Solid Waste Management Authority (BSWaMA)
Landfill cell expansion at Mile 24 Sanitary Landfill

- c. Localised excavations (if required);
- d. Utilising/disposing of excavated material (if applicable);
- e. Placing, joining and fixing geosynthetics.

7.6.3. Storage of Geosynthetics

Geosynthetics shall be stored under protective cover or wrapped with a waterproof and ultra violet protective sheeting.

Geosynthetics shall not be stored directly on the ground or in any manner in which they may be affected by heat.

The method of storage shall also accord with any other recommendations by the manufacturer.

7.6.4. Construction

Where necessary, localised excavations shall be carried out to permit installation. Geosynthetics shall be installed as shown on the Drawings. Prior to installation of geosynthetics materials the Contractor shall submit to the Engineer for approval a layout plan detailing the intended installation **methodology** and geometry.

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Bill of Quantity (BOQ)

Common mistakes in bills of quantities include:

- ☐ Inaccurate measurement of quantities.
- ☐ Incorrect quantities, irrelevant preliminary items, unnecessary specifications, inadequate information in descriptions, omissions, and discrepancies between drawings.

Bill No. 1 Preliminaries and Ge

Item	Description
1.01	General Requirement And Provisions
1.02	Insurance of the works including third parties li
1.03	Performance Bond/Ban
1.04	Mobilisation and Demol
1.05	Provision of Survey Eq Engineer
a	Survey Equipment
b	Monitoring Equipment
1.06	Offices for the Engineer
a	Refurbishment of Mile 2 office building
b	Furniture for Engineer's office
c	Maintain and pay all rer services for fully furnish offices for the Engineer
1.07	House for the Engineer
a	Provide house for Engli fully furnished, and equ maintain for entire costs
1.08	Provide Four wheel drv for the Engineer includi comprehensive insuran
a	Four wheel drive motor Engineer - TOYOTA Hi
b	Operate and maintain v 1.05(a) for an average month
c	Operate and maintain v 1.05(a) for travel distar average 2,500 km per r
1.09	Environmental Manag Requirements
1.10	Provision for all Enviror Management and ESH
1.11	Project Sign Board (3 m
1.12	Specifications And Te
1.13	Quality control testing
1.14	Bonus for early Secti
1.15	Early completion or Ph

TOT BILL No. 1: PRELIMINARIES AND GENERAL TO GENERAL SUMMARY

Mile 24 Landfill Cell Expansion

BoQ Rev. 2.0

BSWaMA

Belize Solid Waste Management Authority
Solid Waste Management Project II
Landfill cell expansion at Mile 24 Sanitary Landfill

GENERAL SUMMARY		
S/N	DESCRIPTION	AMOUNT [BZD]
A	Bill No. 1: Preliminary and General	-
B	Bill No. 2: Landfill cell	-
C	Bill No. 3: Leachate Ponds	-
D	Bill No. 4: Stormwater Drainage System	-
E	Bill No. 5: Miscellaneous	-
F	Bill No. 6: E&M Works	-
G	Bill No. 7: Dayworks	-
SUB-TOTAL		-
H	ADD: 10% CONTINGENCY	-
GRAND TOTAL		-

PHASE I TOTAL (amount relevant to the aim of GCC 50)

Consider items marked with an asterisk and highlighted in light blue in Bill No. 2 and Bill No.3 and Bill No. 6

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Correction of Error

IDB ITB 30.2 In evaluating the bids, the Employer shall determine for each Bid the evaluated Bid price by adjusting the Bid price as follows:

- (a) making any correction for errors pursuant to ITB 28;
- (b) making an appropriate adjustment for any other acceptable variations, deviations, or alternative offers submitted in accordance with ITB 18;
- (c) making appropriate adjustments to reflect discounts or other price modifications offered in accordance with ITB 23.5;

28. Correction of Errors

28.1. Bids determined to be substantially responsive shall be checked by the Employer for any arithmetic errors. In admeasurement contracts, errors shall be corrected by the Employer as follows:

- (a) where there is a discrepancy between the unit rate and the line item

28.2. In lump-sum contracts, the evaluation of the Financial part of each Bid, the Employer shall correct the arithmetic errors in the following manner:

- (a) List of Sub-Activity with prices: if there are errors between the total of quantities in the column for Sub-Activity price and the amount shown in the total for the Sub-activity, the first one shall prevail and consequently, the latter corrected;
- (b) List of Activity with prices: if there are errors between the total of the quantities shown in the price column for the Activity Price and the amount shown in the total price of the activities, the first one shall prevail and the latter corrected as a result; and when there is an error between the total of the quantities in the List of Sub-activity with prices and the corresponding amount in the Schedule of Activities with prices, the first one shall prevail and the second shall be corrected as a result; and
- (c) Global Summary: in case of errors between the total price of the activities in the calendar with prices and the amount indicated in the Global Summary, the first shall prevail and the latter corrected as a result.

28.3. The amount stated in the Bid shall be adjusted by the Employer in accordance with the above procedure for the correction of errors and, with the concurrence of the Bidder, shall be considered as binding upon the Bidder. If the Bidder does not accept the corrected amount, the Bid shall be rejected, and the Bid Security may be forfeited or the Bid - Validity Declaration executed in accordance with ITB 17.5 (b).

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Case Studies



- ☐ Not:
 - Seeking Clarification
 - Attending Site Visits / Pre-bid Meetings
 - Conducting Market Research
- ☐ Late Submissions
- ☐ Omission Of Required Documents
- ☐ Bid Security/ Bid Securing Declaration Omissions And Modifications
- ☐ Poor Quality Of Content, Presentation & Layout
- ☐ Misrepresentation Of Firm / Capability
- ☐ Financial Issues



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★ **NOT:**

- **SEEKING CLARIFICATION**
- **ATTENDING SITE VISITS / PRE-BID MEETINGS**
- **CONDUCTING MARKET RESEARCH**

- ❑ Opportunities to request clarifications must be requested in writing within the stipulated time frame.
- ❑ Attention must be paid to procurement notices & deadlines.
- ❑ Lack of understanding of the scope of work/contractual requirements results in inappropriate technical solutions and inaccurately costed bids
- ❑ Lack of understanding of the building material required and the availability of the materials from the local supply chain

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LATE SUBMISSIONS

General:

- ❑ No Flexibility with Accepting Late Bids
- ❑ Procuring entity determines when it is time to open bids

Hardcopies:

- ❑ Bidder responsible for courier inefficiencies
- ❑ E-Submissions:
- ❑ File Size
- ❑ Bidder responsible for corrupt files/files rejected by virus/malware scan
- ❑ Email Time Stamps of procuring entity— time of receipt

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LATE SUBMISSIONS

Letter of Bid - No one owns the bid if not provided and not signed

Depending on National requirements:

- ❑ In case of e-submissions, carefully check datasheet requirements in relation to signing since not all countries accept digitally inserted e-signatures

Certificates:

- ❑ Articles of Incorporation or Documents of Constitution, and documents of registration of the legal entity" and "organizational chart, a list of Board of Directors, and the beneficial ownership
 - ❑ **Non-Bank Financed / National Requirements:**
 - ❑ Belize Tax Service (BTS) Good Standing Certificate: Valid for six months.
 - ❑ Belize Companies and Corporate Affairs Registry (BCCAR) Good Standing Certificate: Valid for one calendar year.
 - ❑ Social Security Board (SSB) Good Standing Certificate: Valid for six months.

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BID SECURITY / BID SECURING DECLARATION OMISSIONS AND MODIFICATIONS

Submit what is requested by the procuring entity

- ❑ Making changes to the standard templates in bidding document
- ❑ Using another template other than the standard templates provided in the bidding document
- ❑ Name in Letter of Bid must match the Bid Security / Securing Declaration form
- ❑ Value of the bid security
- ❑ Validity of the timeline
- ❑ **Power of Attorney: A general power of attorney gives an agent broad authority to act on the principal's behalf in a wide variety of situations, such as signing documents or making other legal decisions.**

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POOR QUALITY OF CONTENT, PRESENTATION & LAYOUT

Letter of Bid

- ☐ No one owns the bid if not provided and not signed

When preparing a bid, details should be as accurate and precise as possible to prevent further delaying the bid evaluation process

Common Presentation Shortcomings:

- ☐ No Labels
- ☐ Illegible Fonts
- ☐ Faint Ink
- ☐ Chaotic Layout
- ☐ Lack of Table of Contents Page

Lack of project specific information provided in the bidder's technical proposal (generic copy and paste submissions)

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MISREPRESENTATION OF FIRM / CAPABILITY

- ☐ Bidding while sanctioned by a relevant Multilateral Development Bank / UN Security Council.
- ☐ Committing any Prohibited Practices or not declaring a Conflict of Interest under the procurement process in question.
- ☐ Key personnel misrepresenting their experience/ qualifications or not actually being available/aware CV even being used.
- ☐ Claiming a larger aspect/responsibility in a project for "experience."
- ☐ Claiming financials from "sister" firms/subsidiaries.

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FINANCIAL ISSUES

- ☐ Contractor not pricing items in the BOQ
- ☐ Understanding the threshold of an abnormally low bid
- ☐ Stipulating that pricing is subject to adjustment where bidding document says otherwise
- ☐ Offering in a currency other than that permitted

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!!!Now you know!!!

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The Winning Bid

- ☐ Clear Understanding of Requirements
- ☐ Value Proposition
- ☐ Competitive Pricing
- ☐ Detailed Solution and Methodology
- ☐ Key Personnel
- ☐ Risk Management defined
- ☐ Attention to the details



Key Sections of Bidding Documents

- **Invitation to Bid (ITB)**
 - Outlines the bidding process and key dates.
- **Instructions to Bidders (ITB)**
 - Critical rules, submission requirements, and clarifications.
- **Bid Data Sheet (BDS)**
 - Project-specific data and amendments to the standard terms.
- **Evaluation and Qualification Criteria**
 - Detailed explanation of how bids will be assessed.
 - Mandatory qualifications vs. comparative scoring.
- **Technical Specifications or Terms of Reference (ToR)**
 - Detailed requirements of goods/services to be delivered.
- **Conditions of Contract**
 - Key contractual terms: obligations, penalties, payment terms, and dispute resolution mechanisms.
- **Clarification Requests**
 - How to ask for clarifications or submit questions during the pre-bid phase.
 - Best practices for effective communication with the procuring entity must be in writing.
- **Understanding Addenda**
 - What to do when amendments or clarifications are issued.
 - Incorporating changes into your bid response.

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Understanding the Winning bid

An Evaluation of a Bidder Training Program*

Dakshina G. De Silva¹ Timothy P. Hubbard² Georgia Kosmopoulou³

September 20, 2017

Abstract

In an effort to accommodate a change in the Federal Highway Administrations goals towards race-neutral methods concerning the involvement of ~~Disadvantaged Business Enterprises~~ in contracting, the Texas Department of Transportation created a bidder training program. Using ten years of data, we examine the effects this program had on bidder behavior, project costs for the government, and the ability of these firms to compete. Our empirical models allow for potential asymmetries across various bidder groups. Unlike other policies that target these firms, we find the program generated substantial savings for the state which come at a very low cost.

JEL Classification: D44, H57, R42.

Keywords: auctions, bidder training, disadvantaged business enterprises.



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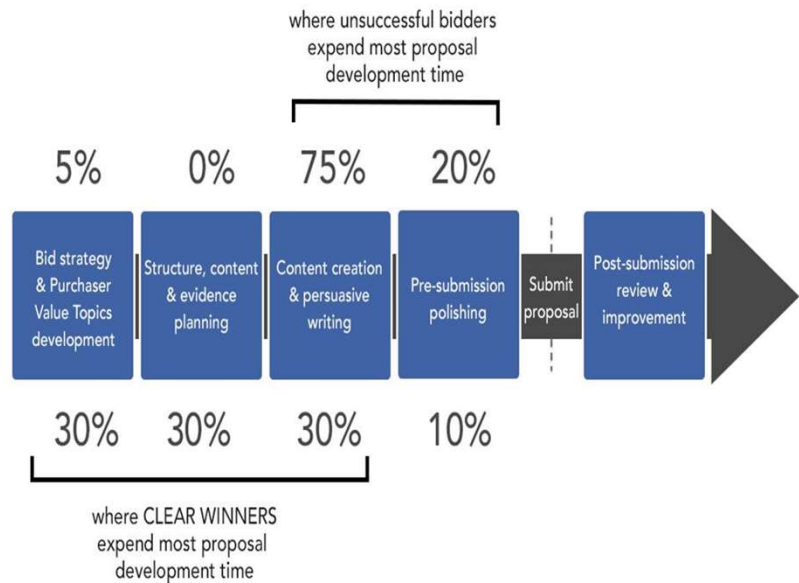


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Can you really bid less but win more?

Robyn Haydon (2016),

“Submitting competitive tenders is like feeding coins into a slot machine; your chances of winning don’t get any better as your supply of coins goes down.”



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Let us Win!!



DESCRIPTION	CHECKLIST
1. ARTICLE OF INCORPORATION OR DOCUMENTS OF CONSTITUTION / LEGAL ENTITY	COMPLETED
2. COMPLIANCE WITH NATIONAL LAW - Belize Tax Service (BTS) Good Standing Certificate: Valid for six months. - Belize Companies and Corporate Affairs Registry (BCCAR) Good Standing Certificate: Valid for one calendar year. - Social Security Board (SSB) Good Standing Certificate: Valid for six months.	YES YES YES
3. SIGNED LETTER OF BID	COMPLETED
4. SIGNED PRICED BILL OF QUANTITIES	COMPLETED
5. BID SECURITY OR SIGNED BID VALIDITY DECLARATION	COMPLETED
6. CORRECT CURRENCY FOR BID AND BID SECURITY	COMPLETED
7. TECHNICAL DOCUMENTATION COMPLETED	COMPLETED
8. FINANCIAL DOCUMENTATION COMPLETED	COMPLETED
9. COMPLIANCE WITH AMENDMENTS	COMPLETED
10. SUBMITTED DOCUMENTS ARE MARKED CORRECTLY (E.G., "ORIGINAL" AND "COPIES").	COMPLETED

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CDB, for more resources see:

CDB: www.caribank.org/work-with-us/procurement
 CDB SBDSW (Post qualification) Template

IDB, for more resources see:

[Procurehttps://projectprocurement.iadb.org/enment](https://projectprocurement.iadb.org/enment)
<https://projectprocurement.iadb.org/en/policies>

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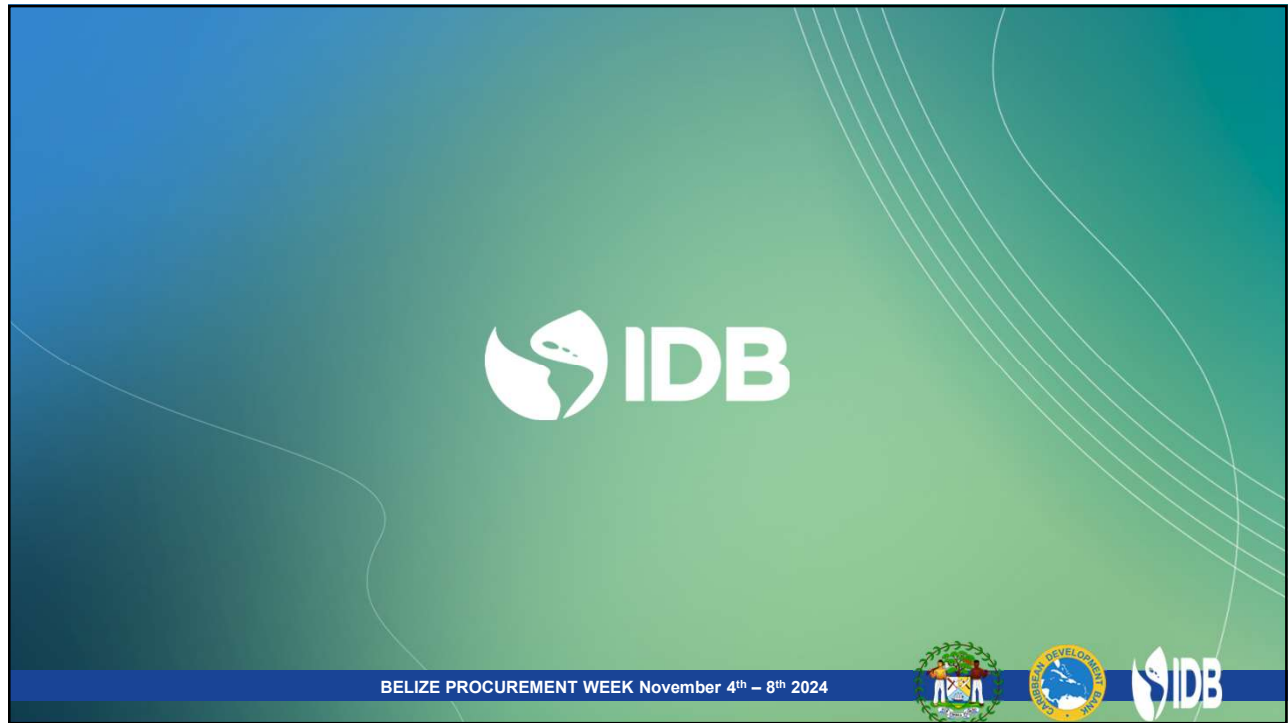
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