



SOLOMON ISLANDS GOVERNMENT

**PROCUREMENT & CONTRACT
ADMINISTRATION MANUAL**

APRIL 2013

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SECTION 1: INTRODUCTION

1.1 BACKGROUND AND PURPOSE OF THIS MANUAL

Chapter 7 of the Solomon Islands Government (SIG) Financial Instructions requires the development of a Procurement Manual and a Contract Administration Manual to assist in the acquisition of goods, works and services by SIG Agencies and Members of Parliament.

The main purposes of this manual are as follows:

1. To provide guidance and assistance to the Solomon Islands Government Agencies and Members of Parliament to carry out procurement and manage contracts according to the Financial Instructions.
2. To ensure that there is uniformity of processes across the Solomon Islands Government procurements and contract management.
3. To help procurement officers across Solomon Islands Government to better understand the Financial Instructions and its requirements in relations to procurements.

1.2 SCOPE OF THIS MANUAL

The procedures and processes in this manual must be applied by SIG Officials and Members of Parliament in the acquisition of goods, works and services, using public monies (as defined in Article 2 the Public Finance and Audit Act). Note for purposes of this Manual public monies is taken to include Donor Funding, Constituency Funds and SIG Funds. Acquisition of goods, works and services via Special or Standing Imprest are excluded from the scope of this Manual – these are covered separately in the Imprest Procedures Manual and Chapter 7 of the Financial Instructions.

1.3 SOURCES

The following sources were consulted in the development of this Manual:

- *Procurement Manual, December 2006* – Ministry of Infrastructure and Development, Solomon Islands
- *Good Procurement Manual, January 2008* – Central Supply and Tender Board, Papua New Guinea
- *Guidelines for the Procurement of Goods and Service, June 2005* – Ministry of Finance and Economic Management, Vanuatu
- *Procurement Guidelines, April 2010* – Asian Development Bank
- *Guidelines: Procurement of Goods, Works, and Non-Consulting Services, January 2011* – World Bank
- *Guidelines : Selection and Employment of Consultants, January 2011* – World Bank

1.4 CENTRAL PRINCIPLES FOR USE OF PUBLIC RESOURCES

Chapter 1 of the SIG Financial Instructions requires that six central principles are used to guide the use of public resources. These principles are intended to support the efficient, effective use of Government (or public) money, property and other resources. The principles are:

- Value for Money - buy good quality and at the lowest price
- Competitive purchasing - let the whole market compete to supply Government
- Efficient, Effective and Ethical Use of Resources - eliminate waste and make only the proper use of Government resources
- Accountability and Transparency - make it clear what has been done and why it has been done
- Financial Sustainability – the long term sustainability of any procurement should be considered in full, paying particular attention of ongoing support and maintenance costs
- Equity - support the acquisition of goods or services or both to advance community equality and provide economic opportunities for Solomon Islanders, including women, youth and people with disabilities.

All officers involved in buying of goods, works and services must act in accordance with the six central principles at all times. The processes and procedures set out in this Manual are intended to assist officers in upholding these principles.

1.5 FRAUD AND CORRUPTION IN PROCUREMENT

Fraud is defined as wrongful or criminal deception intended to result in personal or financial gain. Corruption is defined as dishonest or fraudulent conduct by those in power.

The following are examples of Fraud and Corruption in the Procurement Process:

- Bribery of officials to influence a Procurement
- Receipt of gifts or payments from suppliers
- Making, using or possessing forged or falsified documents
- Collusion between suppliers with the aim of inflating prices paid by SIG
- Causing a loss to SIG by not trying to obtain best value for money
- Giving a Tenderer information about the contents of another Tender
- Giving preferential treatment in return for commissions or other improper benefits

Any suspected Fraud and Corruption must be immediately reported to the Leadership Code Commission or the Internal Audit Division (in MoFT or the Agency if one exists). All cases should then be fully investigated and referred for disciplinary or criminal proceedings when fraud or corruption is found to have occurred.

1.6 RESPONSIBILITIES IN THE SIG PROCUREMENT PROCESS

Central Tender Board (CTB): The Central Tender Board consists of the Permanent Secretary of Finance (Chair), and three other senior officers appointed by the Chair. The CTB is responsible for awarding contracts (or granting waivers) by all SIG Agencies valued over \$500,000 SBD. The CTB considers and endorses evaluation reports from Tender Evaluation Committees in the purchasing Agencies.

Ministerial Tender Board (MTB): Each Agency will form a MTB consisting of the Accounting Officer (Chair), the Financial Controller (or Chief Accountant), and one other public officer appointed by the Chair. The MTB is responsible for awarding contracts (or granting waivers) for that Agency valued over \$200,000 SBD and up to \$500,000 SBD. The MTB considers and endorses Tender Evaluation Reports from a Tender Evaluation Committee.

Secretary to the CTB/MTB: Each Tender Board will have a Secretary or Secretariat to carry out various Administrative Duties including reviewing Tender Bidding Documents before advertising to ensure compliant with SIG standards, collating and posting advertisements for

Tenders, receiving Tenders, secretarial support during Tender Board meetings, including minutes and other records, issuing of Contract Award Letter and posting of Contract Awards on the MoFT Website.

Responsible Officers: This is the main contact in a SIG Agency carrying during a Competitive Tender Process. They are responsible for issuing Tender Bidding Documents to potential Tenderers, maintaining the Bidding Documents Register, and responding to requests for clarifications from potential Tenderers.

Accounting Officers (usually the Permanent Secretary): Accounting Officers are responsible for ensuring funds budgeted and received are used properly, not wasted, that only approved spending occurs and all procurement is strictly in accordance with Chapter 7 of the Financial Instructions covering Supply Chain Management.

Accountable Officers (includes the Financial Controller/Chief Accountant/other public officer responsible for Payments): Accountable Officers are responsible for ensuring that no payment is made without proper authority.

Certifying Officer: is an Accountable Officer who must ensure that all PRs are completed correctly and meet the requirements of the FIs and any other Regulation or Instruction.

Requesting Officers (usually a Procurement Officer based in the Finance, Administration or Procurement Department of the Agency): Requesting Officers are responsible for ensuring that correct quotation procedures have been followed, recording quotations on the Bid Analysis and Purchase Requisition, attaching original documents, and identifying the approved supplier.

All Public Officers: All Officers must observe the Financial Instructions and apply them to achieve the central principles whenever they are acting on behalf of SIG. Any instances of failing to observe any instruction will be dealt with in accordance with the “Non-compliance, Misconduct and Penalties” section of Chapter 1 of the Financial Instructions.

1.7 LIST OF ACRONYMS USED IN THIS MANUAL

SIG – Solomon Islands Government
MoFT – Ministry of Finance and Treasury
PSF – Permanent Secretary Finance
CTB – Central Tender Board
MTB – Ministerial Tender Board
TEC – Tender Evaluation Committee
AO - Accounting Officer
FC – Financial Controller
CA – Chief Accountant
PR – Purchase Requisition
LPO – Local Purchase Order
R&I – Receiving and Inspection
PV – Payment Voucher
RFT – Request for Tender
EOI – Expression of Interest
RFP – Request for Proposal
TOR – Terms of Reference
ITC – Instructions to Consultants

SECTION 2: PROCUREMENT PLANNING

2.1 ANNUAL PROCUREMENT PLANNING

Procurement Planning is a key tool to assist Agencies in transforming their annual activity plans into a budget, and also assists in the efficient usage of funds allocated. The preparation of an Annual Procurement Plan can assist Agencies in achieving improved purchasing power (by grouping procurements together rather than separately), better planning of procurements resulting in faster processes, and reduce the risk of problems occurring during the procurement process.

An *Annual Procurement Plan* (see Annex 1) should be prepared by each Agency along with the Annual Budget Bid. This should be revised based on the actual budget allocation and submitted to the Procurement Unit in MoFT within one month of the tabling of the Budget in Parliament. The steps involved in preparing the procurement plan are as follows:

Step 1: Review planned activities and recurrent costs and identify each procurement of goods, works or services within those expected to be in excess of \$200,000 SBD

Step 2: Estimate the value of the Procurement.

Step 3: Decide Procurement Method based on the Purchasing Limits. (either Competitive Tender, Restricted Tender (3 quotes) or Single Sourcing - refer to Section 2.6 below)

Step 4: Determine authority (CTB or MTB) for contract Award based on the Purchasing Limits.

Step 5: Estimate timing of each step in the Procurement Process (Q1, Q2, Q3, or Q4).

Step 6: Monitor and update plan at least quarterly to take account of Budget variances or delays, and produce a status report.

2.2 PROCUREMENT PLANNING FOR LARGE AND COMPLEX PROJECTS

It is recommended that a Project Procurement Plan is prepared for high value, high risk or complex procurements undertaken by SIG Agencies. The Project Procurement Plan is an analysis of the intended procurement which should be approved by the MTB or CTB responsible for Procurement. Below is an example of the contents of Project Procurement Plan:

- Summary of Proposed Procurement: Background, Scope, Contract Commencement Date, Proposed Procurement Timetable, Contract Term, Funding, Estimated Contract Value and Approval Processes;
- Risk Analysis: Identified Risks and Strategies to Manage the Risks;
- Procurement Research: Number of respondents, Stakeholder Research, Industry, Environmental Issue and Quality Assurance Requirements;
- Procurement Methodology and Strategy: Procurement Method, Evaluation Methodology, Pre-Qualification Requirements, Evaluation Criteria/Minimum Requirements, Post-Qualification Requirements, Pricing Model, Price Variations and the Tender Evaluation Committee.

- Contract Management: Contract Management Plan and Key Performance Indicators.

This plan can then be used as a monitoring tool throughout the Tender process by the various stakeholders.

2.3 DETERMINE THE NEED TO PROCURE

The need for goods or services arises within a Agency through a number of processes including;

- Stakeholder consultations or requests.
- Programmed developments to meet economic and social objectives.
- Ongoing (recurrent) commitments.

Some of the factors an Agency should consider before going to the market to procure are:

Sharing of Existing Resources: Enquiries should be made on the possibility of sharing resources with other Departments within an Agency. This can be done through taking stock of all resources available within the Agency and taking into account their usage and where resources are underutilized, they can be shared with the section or department who has the need.

Renting/Hiring of Resources: Agencies should consider whether it is more economical to rent or hire the goods or services. The important factor to consider in this option is the timing of the use of the good or service and the cost that is involved. If goods or services will be used for a short period and the cost involved is reasonable, then the department/section may prefer to hire or rent.

Repair or Replace: The decision to repair and maintain or to replace or rebuild is a very important one because it ensures that you are receiving value for money for the goods or services that are in consideration. The cost of maintaining an item should always be compared against the cost of purchasing a new item to ensure value for money is obtained.

Only after the above factors are considered can the decision be made whether to procure. Complex procurements for higher value items will also involve much more detailed planning processes.

2.4 PREPARATION OF SPECIFICATIONS

Once it is decided that a good or service will be procured, it is then necessary to prepare specifications for the required goods/service. A specification is a clear, complete and accurate statement of the particular technical needs or essential characteristics of goods/works/services that SIG requires.

A good specification will:

- State the requirements clearly, concisely and logically.
- State how the item is to be used, including the context of usage.
- Contain enough information for suppliers to accurately scope a solution and offer.
- Be able to be used as the fundamental basis of the contract between buyer and seller.

Thus a good specification is one that is clear, concise and should be capable of being understood and assessed for compliance by both parties.

Specifications can be broadly categorized into three types as follows – most specifications will be combination of these types:

Technical Specifications: Defines in detail the physical characteristics, materials, and manufacturing requirements of the goods, works and services. This is the type of specification that will be most commonly used.

Functional Specifications: This type of specification describes the purpose, duty, role or function of the product or service. It is best defined as the task or the desired result by focusing on what is to be achieved rather than how it is done.

Performance specifications: This type of specifications describes the purpose of the product or service in terms of its capability of performance. It quantifies input/output criteria and detail performance characteristics.

Including Brand Names in specifications should be avoided where possible as it will discourage competition and limits attainment of SIG procurement principles. If on rare occasions it is necessary to quote a brand name to clarify a specification the words “ or equivalent” must be added after such reference. The specifications must permit acceptance of offers which have similar characteristics and which provide performance requirements at least equivalent to those specified.

2.5 PREPARING A PURCHASE REQUISITION

Requesting a purchase is the next step in the procurement process. A *Purchase Requisition* (PR) (Annex 2) must be raised by the purchasing Department. At this stage the Purchase Requisition must include the following;

- (a) Full and clear details of all goods to be supplied, services to be provided or any other types of spending to be made. Where needed, more detailed information can be provided by attaching technical or other materials to the PR;
- (b) Full details of the numbers, weights, volumes or other quantities, identifying marks, and costing rates for all goods to be supplied, services to be provided or any other types of spending to be made so that these details can later be checked against the invoice or other documentation from the approved supplier;
- (c) Full details of all calculations that make up the estimated cost(s) on the PR so they can be checked by the Certifying Officer; and
- (d) The Accounts Code(s) to which the payment will be charged.

The Purchase Requisition is then sent to the Accounts/Procurement section of the Agency where the Requesting Officer will confirm funds availability before carrying out the Procurement in accordance with the steps set out below.

2.6 PURCHASING LIMITS AND SELECTION OF PROCUREMENT METHOD

The Requesting Officer will first check whether the goods, works or services requested can be procured under an existing Preferred Supplier Arrangement (see Section 2.7). If no

arrangement is in place then the procurement procedures to be selected depend on the estimated value of the procurement as stated in the table below.

Purchasing limits	Procurement procedure
Up to \$10,000	Accountable Officer must approve the Sole Supplier/Contractor based on one Written Quotation.
More than \$10,000 up to \$200,000	Accountable Officer must approve the Supplier/Contractor based on a minimum of three Written Quotations.
More than \$200,000 up to \$500,000	Ministerial Tender Board must approve the Supplier/Contractor based on a competitive Tender.
More than \$500,000	Central Tender Board must approve the Supplier/Contractor based on a competitive Tender.

There are however, exemptions from the above requirements under the Financial Instructions where a single quotation is to be provided and tender procedures are waived.

The exemptions are:

- Air and sea travel within Solomon Islands.
- International travel by the most efficient route.
- Freight Charges
- Short-term private car hire.
- Short-term private boat hires.
- Single voyage charter.
- Hotel costs for officers on tour.
- Market goods and perishable food rations

2.7 BID WAIVER

In some instances it is recognised it may not be possible to observe the above purchasing limits, and in which case a Bid Waiver Form (Annex 3) must be completed. This is prepared by the Procuring Division/Section and must be approved by the authority that would approve a procurement of that value (eg. CTB on purchases of more than \$500,000). The waiver will only be granted in circumstances where observing the normal requirements would result in detriment to the people or assets of the Solomon Islands, or where no benefit would be obtained by observing the requirements. Example where are waiver would be granted include but would be limited to the below;

- There is a genuine market limitation on the number of suppliers/contractors;
- There is a declared emergency. For this purpose an emergency is a situation described in the Emergency Powers Act, or a declared disaster under the National Disaster Council Act (being Solomon Island At War, a State of Emergency is in force under Section 16 of the Constitution or a Natural Disaster is declared under Section 12 of the National Disaster Act); or
- The procurement is of national importance and could not be planned or foreseen earlier.

It should be noted that Bid Waivers should only be used in exceptional circumstances and will not be approved unless the justification is reasonable.

2.8 PREFERRED SUPPLIER ARRANGEMENTS

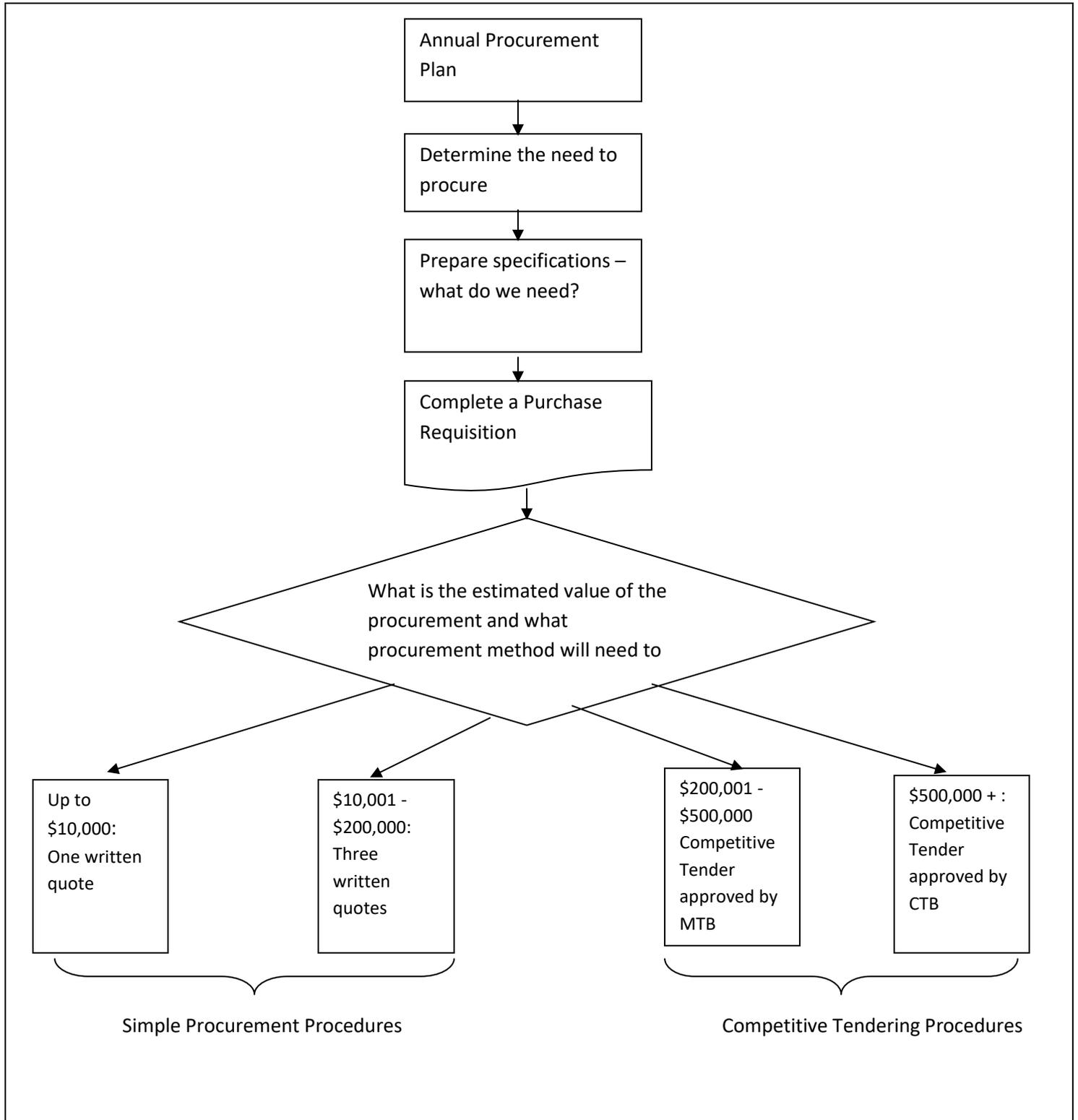
Preferred Supplier Arrangements can be beneficial in streamlining the procurement process and achieving cost savings. These are normally entered into for regular or frequent purchases of goods or services. Preferred Supplier Arrangements can be setup for 12 month periods (or for longer periods but reviewed annually), and normally a panel of a minimum of three suppliers would be appointed. The procurement method used to appoint a Preferred Supplier depends on the estimated value of annual purchases under the arrangement, and the same limits apply as with other purchases (eg. if the annual purchases are expected to be more than \$500,000SBD the CTB would need to approve the appointment after an open tender). It is recommended that Prices are fixed under the arrangements where possible to ensure that SIG is obtaining the best value for money.

The following items are covered under National Preferred Supplier arrangements:

- (a) Petrol, diesel fuel, oil and lubricants;
- (b) Motor vehicle spare parts;
- (c) Domestic air travel and airfreight;
- (d) Domestic shipping of passengers and freight;
- (e) Domestic hotel accommodation;
- (f) Office furniture and office equipment; and
- (g) Office stationery and office supplies.

Agencies may also establish their own Preferred Supplier Arrangements in accordance with the above procedures if there is no National Preferred Supplier Arrangement in place for those goods or services. National Preferred Supplier Arrangements will take precedence over Agency Preferred Supplier Arrangements in the event they exist for the same goods or services. All Preferred Supplier Arrangements set up at Agency Level will require prior approval by the Treasury – the contract signing delegations set out in Section 4.11 will also apply in this instance.

Flowchart 1: Procurement Planning



SECTION 3: SIMPLE PROCUREMENT PROCEDURES

A simple procurement process is for purchases of up to \$200,000 where purchases can be made on the basis of written quotations (as opposed to Competitive Tenders for higher value purchases).

Thus following are the steps to be followed by Agencies in making purchases under simple procurement process.

3.1 OBTAIN QUOTATIONS

The number of quotes required will depend on the value of the purchase as set out in Section 2.6 above. The decision on which suppliers to select for taking quotations should be made based on past experience and it is recommended that each Ministry keeps a database of reputable suppliers for this purpose. A Request for Quotation (see Annexes 4 & 5) must be completed and submitted to the supplier – this defines the specifications and quantities of goods/works/services required, as well as setting out the terms and conditions of SIG Purchases. Quotes provided in response to the request must show the following information.

- a) The date the Written Quotation was given.
- b) A detailed description of the goods and/ or services to be supplied.
- c) The price of supply.
- d) Any discounts offered to SIG.
- e) The signature and the common seal of the supplier.

In order to ensure the process is transparent all quotes must be submitted in sealed envelopes and must be opened at the same time. The Requesting Officer is responsible for ensuring that the quotations are genuine and do not all originate from a single company, related companies or colluding companies.

3.2 COMPARING OFFERS AND SUPPLIER SELECTION

If more than one quotation is required a Comparative Bid Analysis (See Annex 6) should be used to assist in the comparison of quotations and selection of the supplier.

When quotations from potential suppliers are received, the purchasing officer should first consider whether the offers meet the required specifications as identified in the Request for Quotation. Care must be taken to ensure that the items on different quotes are actually comparable. Anything that clearly does not meet the required specifications should not be considered further.

Generally, the supplier offering the lowest price that meets the specifications defined in the Request for Quotation should be recommended as the supplier. Other criteria may also be considered include:

- Delivery time
- Training requirements (If any)
- After-sales service
- Warranties

The reasons for recommending the supplier should be clearly outlined on the Comparative Bid Analysis.

3.3 COMPLETION AND APPROVAL OF THE PURCHASE REQUISITION

After the supplier has been selected the remaining sections of the Purchase Requisition (including the price and supplier) should be completed as this point by the Requesting Officer.

The Purchase Requisition should be then passed to the Certifying Officer who will check the following:

- a) All spending detailed on the PR form is acceptable and proper use of SIG money;
- b) Prices and rates charged for goods delivered or services provided are fair and reasonable and are in accordance with any contract, agreement or other terms that have been arranged;
- c) All additions and calculations are arithmetically correct and verified by the Chief Accountant or his delegate; and
- d) Any discount or rebate that SIG is entitled is included into the calculation of estimated cost.

Once the Certifying Officer has signed the PR for being compliant, The PR is then sent to the Accounting Officer or his/her delegate.

The Accounting Officer as per FI P7 44.2 must ensure that all officers involved in requesting a payment act in accordance with the six central principles that guide the use of public resources and that the PRs meet the requirements of the FIs and any other Regulation or Instruction. Once the Accounting Officer checks and that the PR is compliant, he/she then signs the PR as an evidence of confirmation of the legality, accuracy and correctness of all details.

3.4 CHECK WHETHER A SUPPLIER ACCEPTS A LOCAL PURCHASE ORDER.

SIG policy requires that all purchase of goods, works and services up to \$200,000 SBD must be made using a Local Purchase Order (LPO) – this is because payment is only made after delivery of the goods, works or services (meaning lower risk for SIG). Quotations should only be sought from suppliers that accept SIG LPO's.

If there are no alternative suppliers who will accept LPO then the steps outlined in Section 3.6 below should be followed. (Note this will only be approved in exceptional circumstances).

3.5 SUBMISSION OF PURCHASE REQUISITION TO MOFT AND ISSUING OF LOCAL PURCHASE ORDER

In order to ensure the all documents are complete and attached before sending to MoFT the Requesting Officer should complete the LPO Compliance Checklist (see Annex 7). Along with this checklist the following documents will need to be attached and submitted to the Procurement Section of MoFT:

- (a) Purchase Requisition

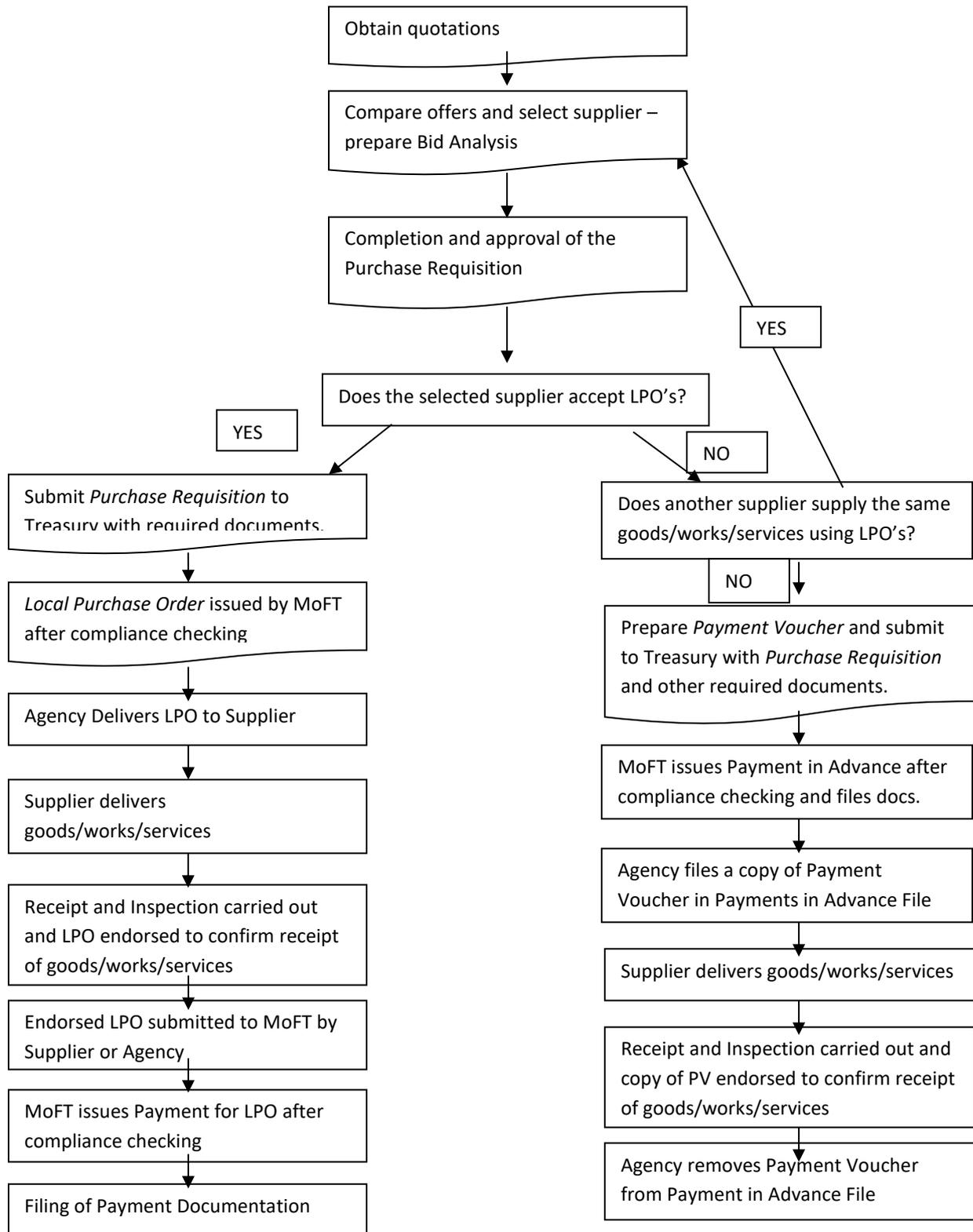
- (b) Copies of Request for Quotations
- (c) Written Quotations
- (d) Other relevant documents such as Bid Waivers, Vendor Information forms, ICT Checklists if required.

Once a PR is submitted to the Procurement Unit, MOFT, it is checked to ensure that it complies with the Financial Instructions and other regulations that relates to the purchase. Once compliant, a Local Purchase Order (See Annex 8) is issued based on the details of the PR and authorized in accordance with the Contract Signing Delegations (refer to Section 4.11). The LPO is then collected from MoFT by a representative of the Ministry and delivered to the supplier.

3.6 ADVANCE PAYMENTS

If a Supplier will not accept SIG LPO's and there are no alternative suppliers of the same goods or services then an Advance Payment may need to be made. In accordance with the Financial Instructions, any advance payment over \$1,000SBD must be authorized by the Permanent Secretary of Finance. Using this method of Procurement a Payment Voucher (Annex 9) and the supplier's Pro-Forma Invoice will also need to be prepared to accompany the Purchase Requisition. In order to ensure the all documents are complete and attached before sending to MoFT the Requesting Officer should complete the Advance Payment Checklist (see Annex 10). Once this payment has passed compliance checking in MoFT and authorized in accordance with the Contract Signing Delegations (refer to Section 4.11 below), a payment will be made to the supplier, and the Agency should file an extra copy of the Payment Voucher in the "Payments in Advance" file.

Flowchart 2 – Simple Procurement Procedures



SECTION 4: COMPETITIVE TENDERING PROCEDURES – GOODS, WORKS & NON-CONSULTING SERVICES

4.1 PREPARE TENDER BIDDING DOCUMENTS

Preparation of clear, concise and detailed Tender Bidding Documents is a key step to ensure a transparent and accountable Tender Process.

Contents of Tender Bidding Documents

At a minimum the Tender Bidding Documents must contain the following

- Specification for Goods or Services to be Procured
- Instructions to Tenderers, including
 - The name of the Responsible Officer in the Procuring Agency who is managing the Tender Process
 - Location where tender documents and further information can be obtained
 - Office to which tenders should be submitted
 - Instructions that all tenders must be in sealed envelopes, unmarked with the name of the Tenderer and tender reference number;
 - The manner in which the envelopes must be addressed;
 - Closing date for submission of tenders;
 - A statement that SIG is not bound to accept the lowest (or highest) Tenderer;
 - A statement that failure to comply with the tender instructions may lead to disqualification of the tender; and
 - A statement that any attempt by a Tenderer to influence the award of the tender in favour of any Tenderer will lead to disqualification and may lead to criminal proceedings.
- Evaluation Criteria & Methodology: The Tender Evaluation Criteria and Methodology must be published in the Tender Bidding Documents so that all Tenderers are aware of how the Tender will be evaluated. Using pre-determined criteria and methodology should assist in ensuring evaluation of tenders is (and is seen to be) professional, fair and unbiased. If the methodology and criteria is not defined in advance then the Tender Evaluation Committee has no framework to use when making a recommendation to award a contract. More details on Evaluation Criteria and Methodology is set out on Section 4.6 below.
- Draft Contract: The draft contract should be published along with the bidding documents. The Attorney General must approve the form of all contracts before they are signed, including any draft contracts included in tender bidding documents

SIG has issued a set of Standard Tender Bidding Documents and Contracts which should ensure that all necessary terms and conditions have been included and make the process of approval much faster. The SIG Standard Tender Bidding Documents must be used by all Agencies for carrying out tenders for the following types of goods:

- Procurement of Goods
- Procurement of Works
- Procurement of Consulting Services
- Procurement of Other Services

The Standard Tender Bidding Documents may only be altered with prior approval of Permanent Secretary of Finance. If Standard Tender Bidding Documents are not available

for the type of goods or services that Agencies are planning to procure then the Tender Bidding Documents should be approved by the MoFT Procurement Unit prior to issuing. Any Draft Contracts included in non-standard Tender Bidding Documents should also be approved by the Attorney General prior to issuing.

Approval from the Tender Board

To ensure the Tender Bidding Documents have been prepared in accordance with SIG requirements these must be approved by the relevant Tender Board Secretariat (CTB or MTB) before issuing these to the Public. Agencies not abiding by these rules will not have their tender considered by the Tender Board.

Agencies will submit the Tender Bidding Documents and the draft Advertisements to the Secretary of the relevant Tender Board – this is done using Part 1 of the Tender Submission Checklist (see Annex 11). Once the Checklist has been approved then a Tender Number will be issued by the Secretary.

4.2 ISSUING THE INVITATION FOR TENDER AND ISSUING TENDER BIDDING DOCUMENTS

It is crucial when carrying out a competitive tender to give the entire market equal opportunity to compete to provide the services to SIG – this must be the primary consideration when issuing the Invitation for Tender.

Contents of the Tender Advertisement:

Below is the minimum information that needs to be included on any Competitive Tender Advertisement:

- Description of the goods/works/services being purchased
- Name and contact details of the Responsible Officer in the Purchasing Agency from whom the tender documents can be collected
- The closing date and time of the Tender
- A statement that late submissions will not be accepted
- The location where tenders are to be submitted
- Instructions that all tenders must be in sealed envelopes, unmarked with the name of the Tenderer and tender reference number
- The location and time for the Public Tender Opening
- A statement that SIG is not bound to accept the lowest (or highest) Tenderer
- A statement that failure to comply with the tender instructions may lead to disqualification of the tender; and
- A statement that any attempt by a Tenderer to influence the award of the tender in favour of any Tenderer will lead to disqualification and may lead to criminal proceedings

The advertisement must be approved by the Secretary of the relevant Tender Board before it is made available to the public.

Time-frame from Advertising to Tender Closing:

The Tender Advertisement must be given at least two weeks before the closing date of the Tender. It is recommended that for more complex Tenders (eg. Procurement of Works) the advertisement is placed at least one month before the Tender Closing so that all Tenderers are given sufficient time to prepare tender submissions.

Method of Advertising

All Competitive Tenders are required to be advertised publicly, and the mode of advertising can be determined by the AO of the Purchasing Agency. Most Tenders will be advertised in local newspapers. It is recommended the advertisement is placed a number of times and spaced out appropriately to allow greatest exposure. Other allowable methods of advertising are radio announcements, internet, posters, or a combination of these. Providing equal opportunity to Provincial Based Suppliers should be considered when placing advertisements, and therefore all Tenders should be distributed down to Provincial Level through the Provincial Governments.

MoFT has established a Tender Page on the MoFT Website to act as a central point for information on SIG Tenders. This Tender Page will facilitate Tenders where international competition is sought. All CTB and MTB Tenders should be advertised on the Tender Page (<http://www.mof.gov.sb/ReportsNew/ProcurementTenders.aspx>). Tender Advertisements must be emailed to the CTB Secretariat and approved prior to release to the public.

Bidding Documents Register

The Responsible Officer in the Procuring Agency will keep a record of all Tenderers who come to collect the Bidding Documents. This should be recorded on the Bidding Documents Register (see Annex 12). This register will allow the Responsible Officer to contact potential Tenderers in the event of Tender Bidding Document amendments or changes in the Tender Schedule.

Tender Bidding Document Fees

Non-refundable tender fees may be charged for the collection of Tender Bidding Documents. The exact amount may be determined by the purchasing Agency - any fees charged should be reasonable reflect only printing costs, and should not be so high as to discourage qualified Tenderers. Fees must be paid to an authorized revenue collection point and the receipt will be kept as evidence of payment.

Pre-Bid Conferences:

It is recommended that Agencies hold Pre-Bid Conferences for large or complex projects (eg. Works Projects). The Pre-Bid Conference would be used to give information on project specifications to ensure all Tenderers are aware of details and services expected from them. This Conference can also be used to ensure that all possible Tenderers understand the Bidding Documents and will therefore be more likely to submit responsive Tenders.

Bid Security:

Bid Security is a guarantee by the Tenderers that they will accept the contract if they win the tender. This prevents Tenderers from changing their mind and reduces the risk on behalf of SIG. A Bid Security is submitted with the Tender in the form of an original bank guarantee, a certified cheque, or a bid securing declaration – copies are not acceptable for this purpose. If a bidder defaults on bid security declaration, they will be suspended from being eligible to bid on any contract with the Purchasing Agency for the period of time specified in the bidding

documents. For all contracts with an estimated cost of over \$5,000,000 SBD it is mandatory to use Bid Security. The amount of the bid security required will be defined in the Bidding Documents for these Tenders. Any Bid Security requested must be valid for 30 days beyond the Tender Validity Period.

Performance Security:

Performance Security is used to ensure that the contracted supplier delivers goods/works/services in accordance with the contract terms. If required, a Performance Security is usually submitted within 14 days of the notification of the contract award in the form of an original bank guarantee. A Performance Security should be held by the Purchaser in a secure location. For all contracts over \$5,000,000 SBD it is mandatory to use Performance Security. The amount of the performance security required will be defined in the Bidding Documents for these Tenders.

4.3 REQUESTS FOR CLARIFICATIONS BY POTENTIAL TENDERERS

Tenderers will at times require clarification of aspects of Tenders such as specifications, Tender Documents and other areas. Any request for clarification must be made in writing to the Responsible Officer designated in the Tender Bidding Documents. In order to ensure transparency and fairness to all Tenderers, the responses to clarifications should be also made in writing and be shared with all potential Tenderers. Providing verbal clarification to potential Tenderers is specifically prohibited. Requests for Clarification should be made no later than 7 calendar days before the closing of the Tender and response should be provided within 3 calendar days of receipt of the request. The time limits above may be varied depending on the time frame of the specific tender.

4.4 RECEIPT OF TENDERS

The location for submission of tenders must be clearly designated in the Tender Bidding Documents. All tenders must be submitted in sealed envelopes with the name of the Tenderer, Tender Number and Project Name written on the envelope, and placed in a locked Tender Box. A Tender Lodgement Receipt (See Annex 13) should be prepared by the Secretary of the Tender Board when receiving a Tender – one copy of this is to be retained by the Tenderer one copy by the Secretary. The keys to the Tender Box should be carefully controlled so that only the Secretary to the Tender Board is able to access this. The Tender Box must be kept locked up until the Tender Opening – any violation of this will result in the Tender being declared invalid.

Any attempt to lodge a tender after the published closing time must be recorded in the Late Tender Register (See Annex 14). Late tenders must not be evaluated and must be returned unopened to the Tenderer.

4.5 OPENING OF TENDERS

Tenders must be opened in public by the Tender Board immediately after the closing time of the Tender – this is a crucial component to ensure transparency and should be upheld by all Tender Boards. The closing time of a tender will need to take Tender Board Meeting Schedules into account when the Tender is issued.

The arrangements for tender openings should be made so that members of the public and interested suppliers can observe the process. A register of attendees at the Tender Opening should be kept in the Tender Opening Attendance Register (See Annex 15). The Tender Board Secretary and at least one member of the Tender Board are required to be present at the opening of the Tenders.

When opening each tender the Tender Board Secretary must read out the following details:

- Name of the Project
- Tender Number
- Name of the Tenderer
- Tender Amount
- Any other special conditions or details attached to the Tender (eg. timeframe for implementation or whether the Bid Security has been included)

The above details should be also recorded in the Tender Opening Record (See Annex 16) and this should be signed by any Tenderer Representatives attending the opening.

4.6 TYPES OF TENDER EVALUATION

The method of Tender Evaluation to be used depends on the nature of what is being procured. The different types of evaluations are set out below:

Lowest Cost Evaluation (LCE): This is where the minimum qualifying requirements and specifications are carefully and clearly stated. Only those Tenderers that meet the requirements will be evaluated. The remainder are non-responsive tenders. Tenderers that exceed the minimum requirements and specifications are not given any advantage over other Tenderers. The preferred Tenderer must have the lowest evaluated price (and meet the minimum criteria). Lowest Cost Evaluation should be used for the **majority of procurements of Goods, Works and Other (Non-Consulting) Services**.

Whole of Life Costs: This method of evaluation considers initial purchase price as well as costs over the life of the asset. It includes costs of maintaining the item as well as the cost of consumables. The whole of life costing should be used for **complex civil and building works**, such as wastewater treatment, plant or power stations, or for specialized goods that vary in quality. This evaluation method is complex and should only be used with the assistance of qualified technical experts familiar in its application.

Quality and Cost Based Selection (QCBS): The method of evaluation considers quality of the technical proposal and the cost of the services to be provided. Weighting is applied against quality (generally 80%) and cost (generally 20%) to arrive at a score for each Tenderer. The preferred Tenderer will have the highest score after applying the evaluation criteria to determine the quality and then applying the weighting to factor in the cost of the tender. QCBS must be used for the procurement of **Consulting Services**.

4.7 FORMATION OF THE TENDER EVALUATION COMMITTEE

The Tender Board responsible for the procurement will appoint a Tender Evaluation Committee (TEC). The TEC is normally a small team of officers from the Agency making the purchase who have specialist knowledge of the goods/services/works being procured. Any technical officers involved in preparing the technical specifications should also be

involved in the TEC. The TEC must not include any Tender Board Members as there must be an adequate separation of duties. The TEC should have at least three members and the membership may vary depending on the nature of each purchase.

Information relating to the examination, evaluation, comparison and recommendation on contract award shall not be disclosed to Tenderers or any other person not officially concerned with the process by the TEC members until publication of the contract award in accordance with Section 4.12 below.

Members of the Tender Evaluation Committee must disclose any actual, possible or perceived conflict of interest to the Chairman of the Tender Board who may remove them from the Committee if deemed necessary.

All members of the Tender Evaluation Committee will be required to sign the Declaration of Impartiality and Confidentiality (See Annex 17).

4.8 PRELIMINARY EVALUATION

A preliminary evaluation will be conducted by the Tender Evaluation Committee (TEC) of all Tenders to confirm if they are substantially responsive to the requirements in the Tender Bidding Document. A substantially responsive tender is one which conforms to all the terms and conditions of the Tender Bidding Documents without material deviation. A *Preliminary Evaluation Report* (See Annex 18) should be completed and should cover at a minimum the following areas:

- **Tender Validity:** This involves checking the tender has been signed by an appropriate company representative, and if the goods require an authorized agent the Tenderer has provided the authorization from the manufacturer
- **Eligibility:** Some Tenders may include specific Eligibility Requirements, such as excluding companies that have provided consulting services on other aspects of the project, or requiring that only companies with a local presence can tender (eg. for construction at Provincial Level). The Eligibility Requirements must be clearly stated in the Tender Bidding Documents. Care must be taken to ensure that Eligibility Requirements do not result in a non-competitive tender.
- **Legal and Taxation Status:** Tenderers should be a registered company, a registered business name or a Registered Charitable Organisation in order to be considered for SIG Tenders. In addition to this Tenderers will need to provide evidence of their Tax with the Inland Revenue Division. Documentary evidence should be supplied to confirm these requirements (eg. Certificates from Companies Haus and IRD).
- **Tender Security:** Some Tenders may require Tender Security to be submitted. If so the Preliminary Evaluation should ensure this has been provided as requested in the Tender Bidding Documents.
- **Completeness of the Tender:** This involves checking that all of the required forms and documents have been provided as specified in the Tender Bidding Documents, and that all required items have been included
- **Substantial Responsiveness:** Tenders should be evaluated for major deviations to the technical specifications or commercial requirements. Major deviations are those that, if accepted, would not fulfil the purposes for which the tender is requested, or would prevent a fair comparison with tenders that are properly compliant with the bidding documents.

Any tender not meeting the preliminary requirements will not progress to the Detailed Evaluation. It is not possible for Tenderers to provide further information at this stage of the Tender. The reasons for a Tenderer being excluded after the Preliminary Evaluation must be clearly documented on the Preliminary Evaluation Report.

4.9 DETAILED EVALUATION

If a tender has passed the preliminary evaluation the detailed evaluation will then be carried out. The detailed Evaluation is carried out using the Tender Evaluation Summary (Annex 19).

The detailed evaluation includes the following first steps:

- **Check for Computational Errors:** This involves checking that the computations made in any price lists or Bill of Quantities are correct. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price by the quantity, then the unit price will prevail and the total price will be corrected. If there is a discrepancy between words and figures the amount in words will prevail. If the Tenderer doesn't accept the correction the tender will be rejected. Unusual or large corrections that could affect the comparative ranking of tenders should be explained in footnotes. Any errors are corrected and the corrected price recorded on Annex 19 – Tender Evaluation Summary
- **Inclusion of Provisional Sums :** A 'provisional sum' is a an estimate of the cost of carrying out a particular item of work or supplying particular items the details of which are not known or cannot be determined at the time the bidding documents are prepared. Some tenders may contain provisional sums set by the Purchasing Agency. Since the amount of the provisional sum is the same for all Tenderers, each tender should have the same amount in the item for provisional sums. If a tender has omitted the provisional sum or entered it incorrectly then the total tender price is to be corrected and the corrected price entered in Annex 19. Note however, that provisional sums for dayworks in works contracts, where priced competitively, are not changed.
- **Tender Omissions:** Omissions to the tender, such as omitting the cost of a schedule item, should be compensated for by adding the estimated costs for the item. Where the cost of an item missing in a tender is included in others, an average of all quoted prices should be used as the missing price. The original tender price is then adjusted at this point in the evaluation and the adjusted price recorded on Annex 19. A number of individual omissions may equate to a major deviation from the technical specifications.
- **Discounts:** Discounts offered in accordance with the bidding document that are conditional on the simultaneous award of other contracts or lots of the contract package (cross-discounts) are not be incorporated in the evaluation until the completion of all other evaluation steps.
- **Multiple Currencies:** Prices should be translated for evaluation purposes (after any adjustments have been made) using the rate as prescribed in the Tender Bidding Documents. Generally the rate used will be the official Solomon Islands Central Bank selling exchange rate on the day of the tender opening.
- **Check against the Project's Estimated Cost:** The individual items in the Bill of Quantities submitted by each Tenderer should be checked against the estimated cost of each line item. Any instances of where costs are significantly lower than the estimated cost should be noted. The TEC may need to make further clarification in these instances to ensure the quality of the items meet the requirements of the Tender.

After determining the lowest evaluated tender in accordance with the above, the TEC will evaluate whether the Tenderer is qualified to satisfactorily perform the contract. The evaluation will take into account the Tenderer's financial, technical and production capabilities and resources. Common post qualification requirements used may include:

- Capacity of the Tenderer – this may be evaluated in a number of ways but common criteria may assess qualifications and experience of key personnel and the Tenderer's Plant and Equipment to be used on the contract.
- Experience of the Tenderer – An assessment should be carried out of the previous experience of the Tenderer. Tenderers are usually asked to provide examples previous contracts of a similar nature and value to assist in this evaluation.
- Past Performance – The ability of the Tenderer to complete the work on time and within the tendered price needs to be assessed.
- Financial Resources of the Tenderer - the financial resources of the Tenderer and their ability to perform the contract should be assessed.

The evaluation will be based upon an examination of documentary evidence of the Tenderer's qualifications and submitted by the Tenderer, as well as other information as deemed necessary by the TEC. When completing the Tender Evaluation Summary, the evaluation committee will assign a "Yes" or "No" against each post qualification requirement.

An affirmative determination will be a prerequisite for award of the Contract to the Tenderer. A negative determination will result in the rejection of the Tender, in which event the TEC will proceed to the next lowest evaluated Tender to make a similar determination of the Tenderer's capabilities to perform the contract satisfactorily. The Tender Evaluation Report (Annex 20) should then be completed for submission to the Tender Board, and all members of the committee must sign the report.

4.10 TENDER BOARD CONSIDERATION AND AWARD OF THE CONTRACT

The Tender Submission Checklist - Part 2 (Annex 11) sets out the necessary documentation to be included with a submission to any Tender Board. The Tender Board Secretary must approve the submission before it is presented to the Tender Board. If the report is considered deficient, the Secretary is to highlight the deficiencies using the checklist to the TEC. If the TEC is unwilling to correct the report, it is to be submitted to the Tender Board with a note attached from the Secretary identifying the deficiencies in the report.

If in exceptional circumstances the Board disagrees with the TEC's recommendation on Contract Award the Board is to discuss the matter with the TEC. The TEC may be required to consider additional information provided by the Board and, if deemed necessary, the TEC is to prepare a revised evaluation report. The Board should not reject the TEC's recommendations on technical grounds relating to the works, goods or services.

In the event that the Board disagrees with the initial and subsequent evaluations, the Board may disregard the TEC's recommendation and award the contract, based on the Board's sole recommendation. In this event the Board must prepare its own recommendation report (consistent with this Manual) with clear and comprehensive justifications for the recommended award. The Board must also attach to their recommendation report the TEC's recommendation reports and all relevant correspondence in regards to the disagreement of the TEC recommendation.

The Board will award the contract when it is satisfied that the:

- Tendering has been conducted in accordance with Financial Instructions, and
- Recommended offer represents value-for-money after considering the relevant technical, commercial, financial, and contractual matter.

Following the Board’s decision to award the contract, the Board sends a Tender Award Notification (Annex 21) to the winning Tenderer accepting their tender. Note that the Tender Award Notification is not a contract agreement.

4.11 CONTRACT EXECUTION

Standard SIG contracts for different types of procurements have been included in the SIG Standard Bidding Documents. Upon receipt of the Tender Award Notification an Agency may prepare the contracts for signing using the Standard SIG Contracts. All Contracts/LPOs/Payment Vouchers valued at more than \$100,000 entered into by any SIG Agency require countersigning by MoFT in order to be effective as a binding contract. The delegations for this are as follows:

LPO/PV/Contract Value (SBD)	MoFT Authorised Signatory
More than \$100,000 up to \$500,000	Accountant General (or authorised delegate)
More than \$500,000	Permanent Secretary of Finance (or authorised delegate).

To facilitate signing the contracts must be delivered through the MoFT cashier to the Procurement Section. These draft contracts should be submitted with the Contract Signing Checklist (Annex 22) (or LPO Checklist if below \$200,000) along with the supporting documentation listed in the Checklist. Procurement section will check the contract award is consistent with the Financial Instructions and ensure the budget funds are committed before arranging signing. Any contracts entered into outside of these arrangements will not be honoured by MoFT and Public Officers will be held personally responsible for any obligations made.

Five copies of the contract must be prepared and distributed as follows:

- (a) Original contract kept at the Ministry;
- (b) A copy to the Supplier;
- (c) A copy to the Accountant General;
- (d) A copy to the Auditor General; and
- (e) A copy to Treasury Procurement Section

4.12 PUBLICATION OF CONTRACT AWARD, ADVICE TO UNSUCCESSFUL TENDERERS AND SUPPLIER DEBRIEFING

The following information will be posted on the MoFT website within two weeks of contract signing: (<http://www.mof.gov.sb/ReportsNew/ProcurementTenders.aspx>):

- a) The CTB or MTB Reference Number;
- b) The Purchasing SIG Agency;
- c) The project name;
- d) The name of the winning bidder;
- e) The amount of the contract awarded; and
- f) The procurement method used in awarding the contract (Competitive Tender, Restricted Tender (3 quotes) or Single Sourcing).

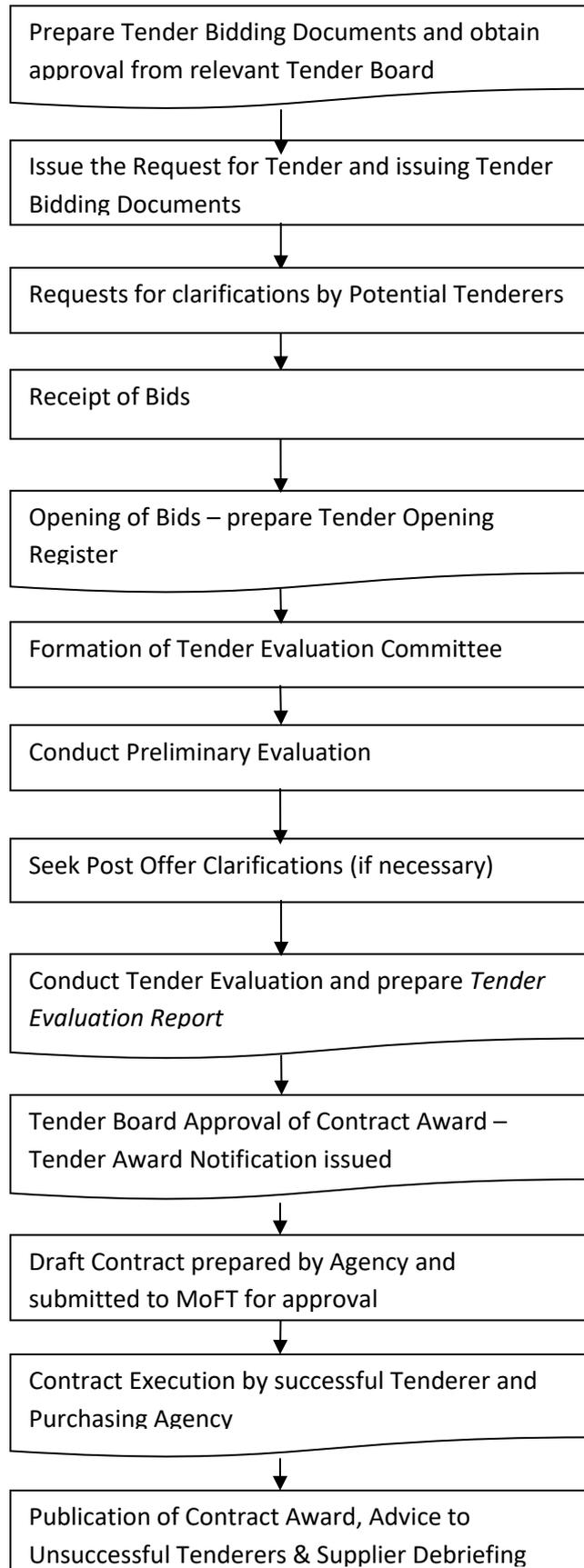
The Secretary of the Tender Board will also provide a written notification to each unsuccessful Tenderer including the above information.

After publication of the award, unsuccessful Tenderers may request in writing to the Purchasing Agency for a debriefing seeking explanations on the grounds on which their tender was not selected. The Purchasing Agency must promptly respond in writing to this request.

4.13 BREACHES OF TENDER PROCEDURES BY TENDERERS BEFORE AWARD OF CONTRACT

Breaches of tender procedures before the award of the contract must be brought to the notice of the purchasing MTB/CTB. The MTB/CTB may consider permanent exclusion from participation in Agency/SIG Procurement for the offending Tenderer.

Flowchart 3 – Competitive Tendering Procedures – Goods, Works & Non-Consulting Services



5.1 SELECTION OF CONSULTING FIRMS

Selection of Consulting Firms will be carried out using Quality and Cost Based Selection (QCBS) as outlined in Section 4.6 above. The procedure for selection of consulting firms is different to Lowest Cost Evaluation because QCBS involves a 2 stage evaluation process. The steps involved in this process are:

- (a) Preparation of the Terms of Reference (TOR): The TOR needs to clearly define the objectives, goals, and scope of the assignment and provide relevant background information to facilitate the Consultant's preparation of their proposals. It needs to list the services necessary to carry out the assignment and the expected outputs (eg. reports, surveys etc)
- (b) Preparation of cost estimate and the budget, and short-listing criteria: Short-listing criteria needs to be developed in order to make a judgement on the firm's suitability for the assignment.
- (c) Advertising: An Expression of Interest (EOI) will be advertised and contain the following:
 - i. Description of the consulting services to be provided
 - ii. The closing date and time for the EOI.
 - iii. A statement that late submissions will not be accepted.
 - iv. The location where EOIs are to be submitted.
 - v. A request for information required in order to evaluate each firm against the short listing criteria (eg. brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.).

The method and timing of advertisements as set out in Section 4.2 of this manual should be adhered to.

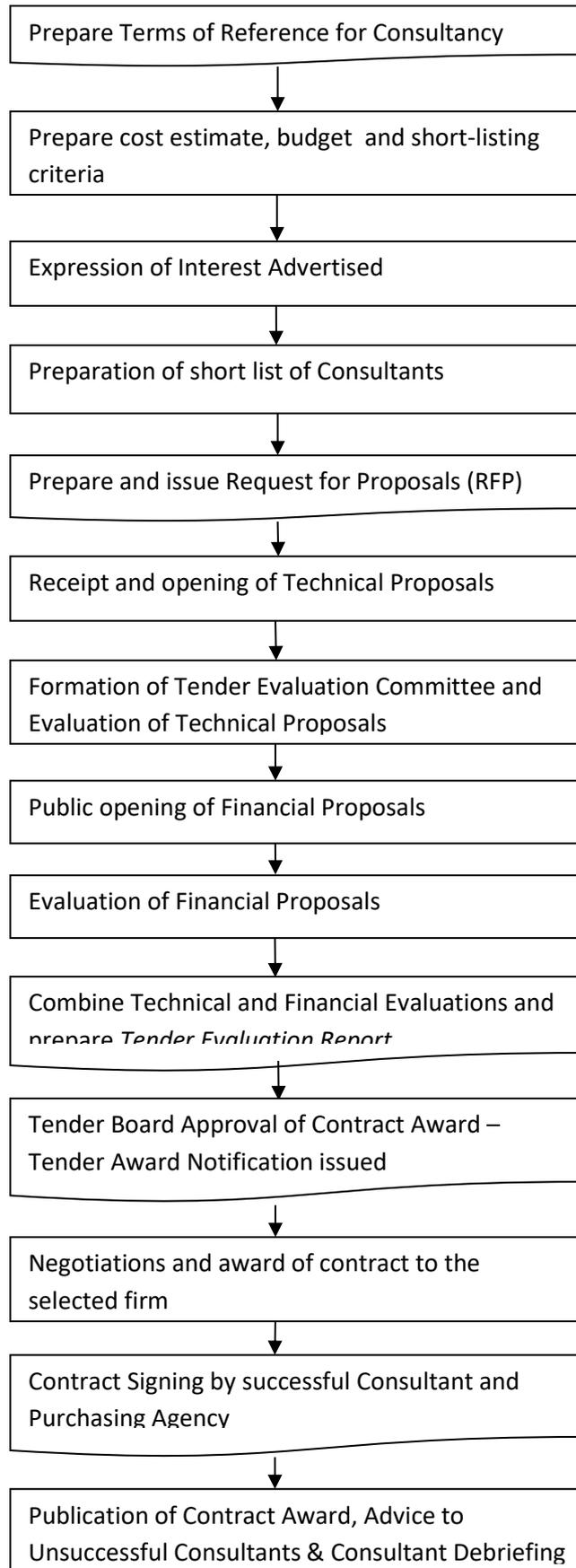
(d) Preparation of the short list of consultants: This is usually done by completing the Short-listing Worksheet – Consulting Services (see Annex 23). The number of shortlisted firms should be between four to six firms depending on the number of responses received.

(e) Preparation and issuance of the Request for Proposals (RFP): A request for proposal is issued to only those firms that were shortlisted. The RFP will include the Letter of Invitation (LOI), Instructions to Consultants (ITC), the TOR, and the proposed draft contract. A standard Request for Proposals has been prepared as part of the SIG Standard Bidding Documents and this should be used by agencies when preparing an RFP.

(f) Receipt and opening of proposals: Any clarifications received from bidders should be handled in accordance with the procedures set out in Section 4.3 of this manual. Technical and financial submissions will need to be submitted in separate sealed envelopes. Proposals should be received in accordance with the instructions for receipt of tenders in Section 4.4 of this manual. After the RFP has closed a Tender Board will open the proposals in the presence of any consultants wishing to attend. The names of the consultants will be read and recorded as each proposal is opened. The financial submission will remain sealed and stored securely but the Secretary of the Tender Board until the technical evaluation has been completed.

- (g) Evaluation of technical proposals: A Tender Evaluation Committee (TEC) will be appointed as set out in Section 4.6 of this manual. The TEC will carry out the technical evaluation using Part 1 of the Tender Evaluation Summary – Consulting Services (Annex 24). The criteria normally used in the technical evaluation of proposals for Consulting Services are: (i) the consultant's specific experience for the assignment (usually between 0 and 15% of the score), (ii) the quality of the methodology proposed (20-50%), and (iii) the qualifications of the key experts proposed (30-70%). The weighting of the criteria may be adjusted to suit the particular requirements of the RFP, but Agencies should keep within the recommended ranges.
- (h) Public opening of financial proposals: A minimum technical qualifying score should be set by the Tender Evaluation Committee (generally between 70% and 80%). Those consultants not meeting this minimum score will be informed and their financial submissions will be returned unopened. The financial submission for those tenders meeting the minimum Technical Qualifying Score will be opened in accordance with the normal Tender Opening Procedures set out in Section 4.5 of this manual.
- (i) Evaluation of financial proposal: The financial evaluation is carried out using Part 2 of the Tender Evaluation Summary – Consulting Services (Annex 24). The proposal with the lowered offered price will be given a score of 100 and other proposals given financial scores that are inversely proportional to their prices.
- (j) Final evaluation of quality and cost: This is carried out in Part 3 of the Tender Evaluation Summary – Consulting Services (Annex 24). The total score is obtained by weighting the technical and financial scores and adding them. The weighting will be determined in the RFP - cost will normally be 20% and quality 80%. The recommended Consultant will be the one with the highest score after applying the weightings against the technical and financial scores. A Tender Evaluation Report (Annex 20) should be completed for submission to the Tender Board.
- (k) Negotiations and award of the contract to the selected firm: These discussions should not substantially alter the original scope and services under the TOR. The Contract will then be awarded and executed as set out in Sections 4.10 and 4.11 of this manual.
- (l) Posting of contract award on MoFT website, Notification to Unsuccessful Tenderers and Supplier Debriefing: This will be done in accordance with Section 4.12 of this Manual.

Flowchart 4 – Competitive Tendering Procedures – Consulting Firms

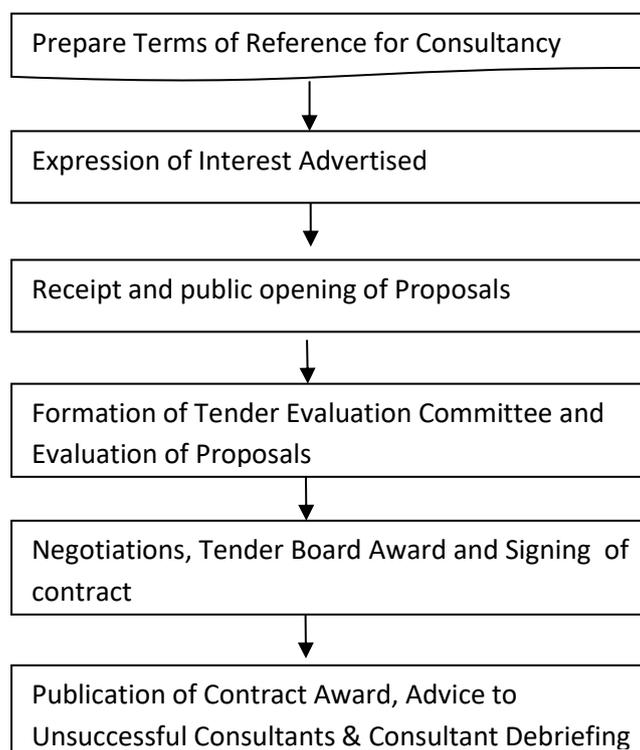


5.2 SELECTION OF INDIVIDUAL CONSULTANTS

Selection of Individual Consultants will be carried out using the following steps:

- (a) Preparation of Terms of Reference: This will be prepared as outlined in Section 5.1 above.
- (b) Advertisement seeking expressions of interest: If the estimated budget is more than \$200,000SBD the consultancy will need to be advertised. Interested consultants will be requested to submit their Curriculum Vitae (CV) and a response to the Selection Criteria for the purposes of the evaluation. All other provisions of Section 5.1 in respect of advertising will apply.
- (c) Receipt and opening of proposals: Proposals will be received in accordance with usual Tender Receiving procedures as set out in Proposals should be received in accordance with the instructions for receipt of tenders in Section 4.4 of this manual. After the RFP has closed a Tender Board will open the proposals in the presence of any consultants wishing to attend. The proposals will be opened in accordance with the normal Tender Opening Procedures set out in Section 4.5 of this manual.
- (d) Evaluation of EOIs: An evaluation of the Individual Consultants relevant experience, qualifications and capability to carry out the assignment will be carried out the by TEC. At least three qualified candidates should be compared as part of this evaluation.
- (e) Negotiations and award of the contract to the selected individual: The consultant selected should be the most experienced and best qualified and shall be best fully capable of carrying out the assignment. The Agency should negotiate a contract after reaching agreement on satisfactory terms and conditions of the contract, including reasonable fees and other expenses. The Contract will then be awarded and executed as set out in Sections 4.10 and 4.11 of this manual.
- (f) Posting of contract award on MoFT website: This will be done in accordance with Section 4.12 of this Manual

Flowchart 5 – Competitive Tendering Procedures – Individuals



SECTION 6: CONTRACT ADMINISTRATION

6.1 CONTRACT VARIATIONS

Except for high value long term projects, all contracts entered into should be at fixed prices. Variations may be accepted at the unit prices offered in the Original Tender, but only in accordance with the conditions set out in the Tender Documents. Tenderers may not obtain variations to increase prices. Variations may only be approved if quantities or the scope of works are increased at the Purchaser's request.

If it is deemed necessary to issue a contract variation, the Accounting Officer of the purchasing Agency can approve this for up to 10% of the original approved contract value. Contract Variations totalling more than 10% of the original approved contract value need to be approved by the Tender Board that approved the original contract award. The same contract signing delegations outlined in Section 4.11 will apply as with the signing of the original contract (eg. any variation on a contract that was originally signed by the Accountant General should again be signed by the Accountant General)

Copies of contract variations should be distributed to the same parties the original contract was distributed to (refer to Section 4.11).

6.2 CERTIFICATION OF RECEIPT OF GOODS/NON CONSULTING SERVICES

After the LPO/Contract/PV is issued the Supplier will deliver goods or services in accordance with the specifications. In order to proceed to payment of an LPO/Contract a thorough checking of goods or the service performed is essential to ensure that supplier is supplying the right goods or have performed the services/works. The officer certifying receipt of goods, works and services should not be the same person who was responsible for authorizing procurement of these – this should ensure adequate separation of duties.

Receiving and inspection (R&I) of goods should be carried out by the Warehousing or Logistics Staff of an Agency, and generally should take place at the warehouse or store of that Agency. Before R&I can begin, the officer performing R&I must possess a copy of the relevant LPO/PV/Contract Specifications as this will enable the goods to be checked against the specifications. When goods are received they should be checked against the LPO/PV/Contract in order to verify that the correct items have been received. The officer must check the correct quantities and correct specifications have been provided. The general condition of the unpacked materials and their packaging should be inspected for any visible external damage during shipment. For receipts of goods of a technical nature, the officer performing R&I should involve technical staff in performing the Inspection (eg. receipt of complex machinery will require technical staff to confirm it is operating correctly, and ICT equipment should be delivered directly to the ICT department.). This will assist in identifying and authenticating the items received against the procurement specifications.

Confirmation that services have been delivered in accordance with an LPO/PV/Contract will normally be carried out by the officer managing the project or services. The officer must be satisfied the services have been delivered to an acceptable level and in accordance with the specifications before endorsing the payment of the LPO/PV/Contract.

For Payments in Advance the Payment Voucher will need to be endorsed to confirm receipt of the goods/works/services instead of the LPO. Once the goods are received or services provided, the "Payments in Advance" copy will be marked and matched with the original copy. The "Payments in Advance" file will be checked monthly by the payments officer to make sure goods, works or services have been provided. All outstanding Payments in Advance should be followed up immediately to confirm the goods have actually been received.

6.3 CERTIFICATION OF PROGRESS ON WORKS CONTRACTS

Certification of the stage of completion for works contracts will need to be carried out in order to make progress payments. The certification should be carried out by a qualified person (eg. engineer) to ensure the quality of the work is as set out in the specifications of the contract. An Inspection Report confirming the stage of completion should be completed and signed and attached to any payment requests. A Payment Certificate (see example at Annex 25) should also be prepared at this time and should include the following at a minimum:

- (a) The original contract amount;
- (b) Approved variations to the contract;
- (c) Previous payments made;
- (d) Advances made and repaid;
- (e) Retention monies withheld;
- (f) The payment amount currently due; and
- (g) The remaining balance on the contract.

More detailed guidance on contract management for works contracts shall be included in the SIG Contract Administration Manual. The development of this document is the responsibility of the Attorney General's Office and is expected in 2013/2014. Until the document is in place those Ministries requiring more detailed guidance on Contract Management should refer to the Contract Administration Manual 2010, developed by the Ministry of Infrastructure and Development.

6.4 CERTIFICATION OF MILESTONES/TIME SPENT ON CONSULTING SERVICE CONTRACTS

Certification of milestones reached or time spent on Consultancies should be performed by the officer managing the consultancy. This should include a review of relevant documents such as outputs required under the contract (such as reports or surveys) or timesheets for time based contracts. A certification that the consultancy services have been performed in line with the contract should be prepared and signed by the Project Manager.

6.5 PAYMENT

Once an officer is satisfied that goods/works/services have been delivered to an acceptable level they should endorse the bottom of the LPO/Contract Specifications to confirm this. The LPO/Contract Specifications/PV should then be returned to the Procurement Unit of Treasury by either the Agency or by the Supplier along with an Invoice and a Purchase Order so that payment can be processed. The procurement unit will conduct a final check

that the Agency has endorsed the receipt of the goods, works or services received and that price on the invoice is the same as the LPO/Contract. Once compliant, the LPO/Contract is paid by the payments execution team and the documents are filed away in Treasury after the payment is issued to the supplier

Advances and Mobilisation Payments should be kept at minimum to minimise the risk for SIG. If no bank guarantee is in place over an advance or mobilisation payment then it must be limited to a maximum of 10% of the contract value or \$75,000 SBD (whichever is lower), with small and frequent interim payments.

6.6 BREACHES OF CONTRACT

The sanctions for breaches of contract are included in the General and Special Conditions of Contract for all Standard SIG Procurement Contracts. It is important that Procuring Agencies enforce these sanctions to ensure that SIG is able to receive its contractual obligations.

SECTION 7: RECEIVING AND HANDLING OF COMPLAINTS

7.1 COMPLAINTS ARISING ON SIG PROCUREMENTS

Complaints may arise at any time during the Procurement Process on any range of issues – some examples of reasons complaints may arise are :

- Administrative or procedural issues with carrying out Tenders
- Suspicion or knowledge of illegal or inappropriate practices
- Poor communication or service by Government Agencies when carrying out Tenders
- Disputes over decisions of Tender Boards in awarding contracts

It is crucial that Tenderers have the opportunity to make formal complaints on concerns with SIG Procurements and that these complaints are investigated to confirm if any action needs to be taken.

7.2 COMPLAINTS PROCESS AGAINST THE AWARDING OF CONTRACTS

The procedure for submission and handling of complaints in relation to the awarding of contracts is set out below:

Step 1 - Discussion with a representative of the Agency (eg. Financial Controller, Secretary to the Tender Board, Permanent Secretary): Concerns often stem from poor communication, leading to misunderstandings or misconceptions about aspects of the procurement process. For this reason it is always a good idea for concerns to be raised informally with the Agency before making a formal complaint.

Step 2 - Submission of Written Complaint to the Awarding Authority: If the complainant is not happy with explanation given the next step is to submit a written complaint detailing the concerns to the authority that awarded the contract (eg. Accounting Officer for Procurements up to \$200,000, MTB for payments \$200,000 to \$500,000, CTB for contracts over \$500,000). A Complaint Lodgement Fee of \$500 is payable to the Treasury before the written complaint will be considered. This fee is refundable in the event the complaint is upheld and the contract award changed.

Step 3 – Consideration of complaint and response to the complainant: The Accounting Officer/Chairman of the Awarding Authority will appoint a minimum of two officers to conduct a review of the complaint. These officers must have had no previous involvement in the awarding or administration of the Tender. The review should recommend whether the original contract award should be upheld or amended. The contract award would only be amended if clear evidence has been provided that procedures as outlined in the Bidding Documents, Financial Instructions and this Manual are not followed and this has resulted in a Tenderer being improperly awarded a contract. The Awarding Authority will need to consider the internal review and respond in writing to the complainant within fourteen (14) days informing them of the outcome.

Step 4 – Escalation of the complaint to CTB: If the original contract was awarded by an Accounting Officer or an MTB the complaint can then be escalated to the CTB for consideration. All documents related to the contract award and previous internal review should be provided to the CTB to facilitate the process. The CTB will need to respond in

writing to the complainant within fourteen (14) days informing them of the outcome of the review. If the original contract was awarded by the CTB proceed directly to Step 5.

Step 5: If a complainant is still not satisfied with the response received by SIG Agencies, then complaints may be made to the Solomon Islands Ombudsman. The Ombudsman can make recommendations regarding the procurement process and decision, but cannot overturn the decision or specifically direct a SIG Agency to do so.



Solomon Islands Government Annual Procurement Plan

Ref. No	What to Procure (STEP 1 & 2)		How to Procure (STEP 3)	Who to approve Decision (STEP 4)	When to Procure (Estimated Lead Times) STEP 5				
	Description	Estimated cost (SBD)	Procurement Method	Awarding Authority	Tender invitation date	Tender Closing date	Contract Signing Date	Contract Start Date	Contract Finish Date
Eg.	Construction New Office Building	750,000	Competitive Tender	CTB	Q1	Q1	Q2	Q2	Q4
Goods									
Works									
Services									

Prepared By:

Name: _____ Signature: _____



Solomon Islands Government

Bid / Quotation Waiver

In some instances it is recognised it may not be possible to observe the requirements of competitive quotations or tendering as is stipulated in the FIs, and in which case a **Bid Waiver Form** must be completed. This is prepared by the Division / Section making the purchase, and must be approved by the authority that would approve a purchase of that value (eg. CTB for Bid Waivers on purchases over \$500,000). The waiver will only be granted in circumstances where observing the normal requirements would result in detriment to the people or assets of the Solomon Islands, or where no benefit would be obtained by observing the requirements. Example where are waiver would be granted include but would be limited to the below;

- In a declared emergency (eg. SI at War, Emergency, Natural Disaster)
- There is a genuine market limitation on the number of suppliers
- Equipment is specialized or technical in nature

Description of Product / Service

--

REASON FOR REQUEST (Please Tick)

Genuine Market Limitation		Natural Disaster		SI at War	
Public Emergency		Technical or Specialized Equipment			

Please summarise the reason for the request (you may attach further support if necessary)

--

Requested by: Division / Section	Signed:	Date:
	Post:	
Approved by: Accounting Officer	Signed:	Date:



REQUEST FOR QUOTATIONS – GOODS/SERVICES

Date

To All Bidders,

1. The <Ministry name> has budget financing and intends to apply part of the proceeds of this financing to procure Goods/Services per the enclosed specifications, and now invites sealed bids for this purpose.
2. Your quotation, citing the above reference number, should reach the undersigned within 7 days from the date of this letter.
3. The goods shall be procured using the Simple Procurement Procedures specified in the Solomon Islands Government Procurement and Contract Administration Manual.
4. The Technical Specifications and Delivery Schedule are provided in the attached Schedule of Requirements.
5. This request for quotation has been addressed to <insert number, minimum three> Suppliers of these goods/services.
6. The goods/services supplied under this contract shall conform to the standards provided in the attached Technical Specifications.
7. The Supplier is required to supply any equipment listed in the Technical Specifications together with the detailed operations and maintenance manuals, for each appropriate unit. <delete if not relevant>
8. The Supplier shall warrant that any equipment supplied under the contract is new and unused. <delete if not relevant>
9. Prices should be quoted for delivery to the <Ministry name>, <address>, Honiara, Solomon Islands.
10. The validity for the quotation shall be thirty (30) days from the date of submitting the quotation.
11. One (1) original and one (1) copy of the quotation shall be submitted in a sealed envelope and addressed to the <Title>, <Ministry name>, Honiara, Solomon Islands.
12. Please indicate delivery schedule and after sales service (if relevant) available to <Ministry name>, Honiara.
13. Submission of a quotation is confirmation of the tenderer's compliance with, and acceptance of, the terms and conditions including the payment terms of this Request for Quotation.
14. The Purchase Order will be awarded on the basis of price, delivery dates, and quality offered against the Schedule of Requirements Technical Specifications.
15. The successful Supplier shall be notified in writing and furnished with a Local Purchase Order (LPO) and have an effective contract with the <Ministry name> on receipt of the duly signed Local Purchase Order. The terms and conditions of this Request for Quotation shall form part of the contract.
16. The Purchaser may terminate the contract if the Supplier fails to deliver any or all of the goods/services within the period specified, or within any extension thereof granted in writing by the <Ministry name>.
17. The Supplier shall not assign, in whole or in part, its obligation to perform under this contract, except with the written consent of the <Ministry name>.
18. Prices charged by the Supplier for the goods/services shall not vary from prices quoted. Prices shall therefore be fixed.
19. The Supplier's request for payment shall be made in writing, accompanied by an invoice and an LPO confirming delivery of the goods/services. All payments shall be made promptly and in no case later than twenty (20) days after delivery and acceptance of the goods. Payments will only be made by cheque or direct transfer into the Supplier's business bank account.

Please acknowledge the receipt of this letter and indicate your firm's interest in submitting quotations.

<insert name>

<insert title>

<insert Ministry>

Schedule of Requirements

No.	Item Name	Specification	Quantity	Delivery Date
1.				<insert date or no.days>
2.				
3.				
4.				
Etc				

**REQUEST FOR QUOTATIONS – WORKS**

Date

To All Bidders.

1. The <insert ministry name> has allocated budget financing and intends to apply part of this financing to payments under a contract for the construction of small works per the enclosed specifications, and now invites sealed bids from the invited eligible Contractors for this purpose.
2. Your quotation, citing the above reference number, should reach the undersigned within 7 days from the date of this letter.
3. The works shall be procured using the Simple Procurement Procedures specified in the Solomon Islands Government Procurement and Contract Administration Manual.
4. The Technical Specifications and Schedule of Activities are provided in the attached annex. Contractors are advised to visit the location to familiarise themselves with the site and the requirements of the Works.
5. This request for quotation has been addressed to < three > Contractors for these works.
6. The validity for the quotation shall be thirty (30) days from the date of submitting the quotation.
7. One (1) original and one (1) copy of the quotation shall be submitted sealed in an envelope and addressed to the <title>, <insert Ministry, and address>.
8. The successful Contractor shall be notified in writing and furnished with a Local Purchase Order (LPO) and have an effective contract with <insert Ministry> on receipt of the duly signed Local Purchase Order. The terms and conditions of this Request for Quotation shall form part of the contract.
9. Submission of a quotation is confirmation of the Contractor's compliance with, and acceptance of, the terms and conditions including the payment terms of this Request for Quotation.
10. The Local Purchase Order will be awarded on the basis of price, completion dates, and quality offered against the Schedule of Requirements Technical Specifications.
11. The works carried out under this contract shall conform to the standards provided in the attached Technical Specifications and Schedule of Activities. Any substandard works shall be rejected
12. Works shall be completed within <insert number (xx)> days from the date of signing of the contract, and documents presented together with Contractor's certificate showing their description, quantities, price, and total amount.
13. The Contractor shall warrant that any materials supplied for use under the contract are new and unused. A ninety (90) days defects liability period is required for works carried out.
14. The Contractor shall not assign, in whole or in part, its obligation to perform under this contract, except with the written consent of <Ministry name>.
15. The <insert Ministry> may terminate the contract if the Contractor fails to complete any or all of the works within the period specified, or within any extension thereof granted in writing by the <insert ministry's> Project Coordinator.
16. Prices charged by the Contractor for the works shall not vary from prices quoted. Prices shall therefore be fixed.
17. The Contractor shall be entirely responsible for taxes.
18. The Contractor's request for payment shall be made in writing, accompanied by an invoice as stated in clause 8. All payments shall be made promptly on completion of the works and upon submission of the final certificate acceptable to <insert Ministry> Project Coordinator in no case later than twenty (20) days after completion and acceptance of the works. Payments will only be made by cheque or direct transfer into the Supplier's business bank account.

Please acknowledge the receipt of this letter and indicate your firm interest by submitting quotations.

<insert name, title & Ministry>



Solomon Islands Government
Comparative Bid Analysis
 (To Be Used for Purchases \$10,000 - \$200,000)

		Supplier 1:		Supplier 2:		Supplier 3:	
Description of goods or service	Quantity	Unit Price	Total	Unit Price	Total	Unit Price	Total
Criteria for Selection:							
Meets Specifications:							
Delivery time:							
Reliable Supplier:							
<p>Recommended Supplier:</p> <p>Reason (s) for recommending the supplier:</p> <p>Prepared By:</p> <p>Name: _____ Signature: _____</p>							



SOLOMON ISLANDS GOVERNMENT
Ministry of Finance and Treasury
COMPLIANCE CHECKLIST – LPO's
(up to \$200,000 SBD)

C3

Required documents:	FI Ref	Ministry	MoFT	Comment
Purchase Requisition (PR)	P7 35			
Three Written Quotes and Bid Analysis (if above \$10,000 and these goods/services are not waived in FI's)	P7 9, P7 10 & P7 13			
Bid Waiver (if not following prescribed method in the FI's)	P7 10.3			
Vendor Information Form (for new vendor)				
ICT Checklist attached (if for ICT equipment)				
Compliance checks required:				
PR has been signed by authorized person (and not approving payment to themselves)	P7 44			
Check amount on PR matches selected quotation				
Account code used is correct	P7 38.5(e)			
Name on PR matches quotations	P7 38.5(e)			
Check calculations on quotations are correct	P7 43.2(c)			
Check Bid Waiver is for a Valid Reason				
Check selection of supplier is justified on Bid Analysis				
Check Expenditure is acceptable and proper use of SIG money	P7 43.2(a)			
Check second and third quotes are from genuine suppliers				
Check price and rates are reasonable	P7 43.2(b)			
Check payment can't be made through Ministry's Standing Imprest (if below \$5,000 SBD)				
Data entry checks:				
Amount in AX matches Requisition				
Account code in AX matches Requisition				
Vendor name in AX matches Requisition				
Item code and Units entered (eg box, each) correct				
Description has enough detail				
Budget OK				
LPO Printing				
Amount in AX matches Requisition				
Vendor name in AX matches PV				
Item code correct				
Account code used is correct				
Invoice posting:				
Invoice matches LPO (total amount, qty and unit costs)				
Amount in AX matches Invoice/LPO				
LPO endorsed by Ministry for receipt of goods				
All original quotes and requisition attached to LPO/Invoice				

Note: If any of the above is not able to be certified please include an explanation of why. This will speed up the compliance process.

Ministry Compliance performed by:

MoFT Compliance performed by:

Signed: _____

Signed: _____

Name and Position: _____

Name and Position: _____

Date: _____

Date: _____



SUPPLIER:

Address:

Telephone:

Fax:

E-mail:

SOLOMON ISLANDS GOVERNMENT

LOCAL PURCHASE ORDER

This number must appear on all packing slips, shipping documents, packages and invoices

LPO Number:

LPO Date:

Requisition:

Deliver To:

Address:

Telephone:

Fax:

E-mail:

Invoice To:

Telephone:

Fax:

E-mail:

All deliveries must be accompanied by a delivery note quoting our Purchase Order Number, and including the description and quantity of goods. If these conditions are not met, the delivery may be refused.

PAYMENT TERMS

DELIVERY TERMS

DELIVERY DATE

Standard Terms

LINE NO	QTY ORDERED	UNIT	DESCRIPTION	ACCOUNT CODE	UNIT PRICE
TOTAL PRICE					

Total

AUTHORISATION

RECIPT

PAYMENT

SOLOMON ISLANDS GOVERNMENT

PAYMENT VOUCHER

Payment Voucher No	Ministry/Department Reference No:			
NAME:	Requisition No			
Address:	ACCOUNTABLE OFFICER (AUTHORISED TO SIGN):			
Signed: _____ Date: _____				
Name (print): _____				
Please indicate the type of payment:				
PAYMENT IN ADVANCE	PAYMENT IN ARREARS	Account No: _ _ _ / _ _ _ / _ _ _ / _ _ _		
CONTRACT INSTALLMENT	RENTAL			
PERDIEM	GRANT			
SPECIAL/STANDING IMPREST	UTILITIES			
LOAN REPAYMENT	MISC/OTHER			
FULL DETAILS OF CLAIM				CURRENCY
CERTIFICATION GOODS/SERVICES HAVE BEEN RECEIVED Signed: _____ Date: _____ Post: _____ Note: Do not certify until goods/services have actually been received		GROSS DEDUCTIONS ATTACHED	AS	
		PAYABLE		

TREASURYUSE

Payment Voucher Checked by _____

Date: _____

PAYMENT

Cheque/ EFT/ TT

No: _____ for \$ _____

Date: _____



SOLOMON ISLANDS GOVERNMENT
Ministry of Finance and Treasury
COMPLIANCE CHECKLIST – ADVANCE PURCHASES
(up to \$200,000 SBD)

C4

Required documents:	FI Ref	Ministry	MoFT	Comments
Purchase Requisition (PR) & Payment Voucher (PV)	P7 35			
Pro-forma Invoice	P7 99			
Three Written Quotes and Bid Analysis (if above \$10,000 and these goods/services are not waived in FI's -Domestic Travel, Hotel Accom, Freight, Market and Perishable Goods)	P7 9, P7 10 & P7 13			
Bid Waiver (if not following prescribed procurement method in the FI's)	P7 10.3 & 10.4, P7 7.1 (f)			
Vendor Information Form (for new vendor)				
ICT Checklist attached (if for ICT equipment)				
Compliance checks required:				
Check supplier doesn't accept LPO's				
Check no other supplier will supply same goods using an LPO				
PV/PR has been signed by authorized person (and not approving payment to themselves)	P7 44			
Check amount on PV/PR matches Pro-forma Invoice				
Account code used is correct	P7 38.5(e)			
Vendor name on PV/PR matches Pro-forma Invoice	P7 38.5(e)			
Check calculations on Pro-forma Invoice are correct	P7 43.2(c)			
Check Bid Waiver is for a Valid Reason				
Check selection of supplier is justified on Bid Analysis				
Check Expenditure is acceptable and proper use of SIG money	P7 43.2(a)			
Check second and third quotes are from genuine suppliers				
Check price and rates are reasonable	P7 43.2(b)			
Check payment can't be made through Ministry's Standing Imprest (if below \$5,000 SBD)				
Data entry checks:				
Amount in AX matches PV				
Account code in AX matches PV				
Vendor name in AX matches PV				
Item code and Units entered (eg box, each) correctly				
Description has enough detail				
Budget OK				
Invoice posting:				
Amount in AX matches PV				
Vendor name in AX matches PV				
Item code correct				
Account code used is correct				

Note: If any of the above is not able to be certified please include an explanation of why. This will speed up the compliance process.

Ministry Compliance performed by:

Signed: _____

Name and Position: _____

Date: _____

MoFT Compliance performed by:

Signed: _____

Name and Position: _____

Date: _____



SOLOMON ISLANDS GOVERNMENT
Ministry of Finance and Treasury
TENDER SUBMISSION CHECKLIST

C8

This checklist is to be submitted to the CTB/MTB when obtaining a Tender number and when submitting for Tender award. It should be submitted to the CTB/MTB Secretary and must be approved by them before consideration by the CTB/MTB.

PART 1- AT TIME OF TENDER NUMBER ISSUING:

Required documents:	FI Ref	Responsible officer	CTB/MTB Secretary	Comments
Draft Tender Bidding documents (Using SIG SBD's)				
Draft Tender advertisement				

Responsible Officer:

CTB/MTB Secretary:

Signed: _____

Signed: _____

Name and Position: _____

Name and Position: _____

Date: _____

Date: _____

PART 2 - AT TIME OF TENDER BOARD AWARD :

Required documents:	FI Ref	Tender Eval. Comm	CTB/MTB Secretary	Comments
Original Copy of the Tender Advertisement (including the dates of advertisement)	P7 20.2(a) P7 21.3(a)			
Late Tender Register				
Tender Opening Record				
Tender Preliminary Evaluation				
Tender Evaluation Summary				
Tender Evaluation Report	P7 10.1			
Approval from PS MDPAC (for development budget contracts)				
Bid Waiver (if restrictive tender carried out). The waiver must include the reasons for making a restrictive tender	P7 21.4			
Compliance checks required:				
Tender Advertisement made at least two weeks before Tender closing time (in paper and website)	P7 23.1			
Check Bid Waiver/Restrictive Tender is for a Valid Reason				

Note: If any of the above is not able to be certified please include an explanation of why. This will speed up the compliance process.

Technical Evaluation Committee:

CTB/MTB Secretary:

Signed: _____

Signed: _____

Name and Position: _____

Name and Position: _____

Date: _____

Date: _____



Bidding Documents Register

Contract Name:

Contract Number:

No.	Contractor	Collected By	Date
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			



Tender No _____

Tender Lodgement Receipt

Contract Name: _____

Contract Number: _____

Name of Tenderer: _____

Date and Time of Tender Submission: _____

Lodging Officer representing the Tenderer: _____

Signed: _____ Contact No: _____

Tender Board Representative receiving Tender: _____

Signed: _____

Note: 2 copies should be made of this receipt – one is retained by the Tenderer and other by the Secretary to the Tender Board



Late Tender Register

Contract Name:

Contract Number:

The following tenders were received after the tender closing time:

Late Tender No.	Tenderer	Time and date of attempted lodgement
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		



Tender Opening Attendance Register

Project Name:

Tender Number:

Place:

Date:

Time:

The following people attended the public opening of tenders:

No.	Name	Company/Department/Division	Appointment	Signature
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				



Tender Opening Record

Tenders Opened

Contract Name:

Contract Number:

Date:

Time:

Tenderer No.	Name of Tenderer	Tender Price (\$)	Tender Securities ¹	Special Conditions, Timeframe or Modifications ¹
1				
2				
3				
4				
5				
6				
7				
8				

Notes: 1. If applicable.

.....
Board member signature

.....
Board member signature

.....
Board member signature

DECLARATION OF IMPARTIALITY AND CONFIDENTIALITY

CTB/MTB Reference No: _____

I, the undersigned, hereby declare that I agree to participate in the evaluation of the above-mentioned Tender Procedure. By making this declaration, I declare that I am aware of Leadership Code in the Solomon Islands Constitution, and in particular Section 94, which states that:

“A person to whom this Chapter applies has a duty to conduct himself in such a way, both in his public or official life and his private life, and in his associations with other persons, as not to place himself in a position in which he has or could have a conflict of interests or in which the fair exercise of his public or official duties might be compromised;

In particular, a person to whom this Chapter applies shall not use his office for personal gain or enter into any transaction or engage in any enterprise or activity that might be expected to give rise to doubt in the public mind as to whether he is carrying out or has carried out the duty imposed by the preceding subsection.”

I hereby declare that, to my knowledge, I have no conflict of interest with any Tenderers who have submitted a tender for this contract, including persons or members of a consortium, or the subcontractors proposed.

I confirm that, if I discover during the evaluation that such a conflict exists or might exist, I will declare it immediately to the chairperson of the Tender Board responsible for the Procurement. In case such conflict is confirmed by the chairperson, I agree to cease from participating to the evaluation committee.

I confirm that I have familiarised myself with available information concerning this tender and the sections of the SIG Procurement Manual in relation to Tender Evaluations.

I shall execute my responsibilities impartially and objectively. I further declare that to the best of my knowledge, I am not in a situation that could cast doubt on my ability to evaluate the tender.

I declare that I will maintain the strictest confidentiality in respect of all information acquired as a result of my involvement in the evaluation process of the tender.

I undertake neither to disclose such information to any unauthorized person who has not already the right of access to such information neither to discuss it with any person in any public place or where others could overhear it

I furthermore undertake to use this information only in the context, and for the purposes of, the evaluation of this tender.

After the conclusion of the evaluation I undertake not to retain copies of any written information, as well as, any templates or models used in the course of my duties.

I understand that any unauthorized disclosure by me will result in the termination of my role as a member of this Tender Evaluation Committee and may also render me liable to disciplinary action under the Leadership Code.

I undertake to maintain this duty of confidentiality also after my term as a member of this Tender Evaluation Committee.

Name	Function	Representing	Signature

Done at..... the



Tender Preliminary Evaluation

Contract Name:

Contract Number:

Name of Tenderer	Valid Tender	Eligible Tenderer	Legal and Taxation Status	Tender Security Provided	Complete Tender	Substantial Responsiveness	Accepted for Detailed Examination

Notes:

1. Insert 'yes' or 'no' in each of the columns against each Tenderer.
2. If a tender security is not required insert N/A.



Tender Evaluation Summary
(Using Lowest Cost Evaluation)

Contract Name:

Contract Number:

Name of Tenderer		Tenderer 1	Tenderer 2	Tenderer 3	Tenderer 4
Prices	Estimated Cost (\$)				
Tender Price					
Adjusted Tender Price					
Item 1 Price					
Item 2 Price					
Item 3 Price					
Item 4 Price					
Item 5 Price					
Item 6 Price					

Post Qualification Criteria (complete for lowest evaluated Tenderer):				
Key Personnel Suitable?				
Plant & Equipment Suitable?				
Previous Experience Appropriate?				
Previous Contract Performance Acceptable?				
Financial Resources Adequate?				
Appropriate Insurance?				
Performance Security?				

Notes:

1. Add or delete evaluation criteria as appropriate
2. Use additional sheets if more than four Tenderers.

TENDER EVALUATION REPORT

Summary

Contract Name:

Tender Number:

Tenders were received at the closing time of 2pm on Friday 25th January 2013 from the following tenders:

No	Company/Business Name	Address	Phone
1	XXXXXX Ltd		
2	YYYYY Ltd		
3	ZZZZZ Ltd		

Qualified and substantially responsive tenders were received from:

1. XXXXXXXX \$
2. XXXXXXXX \$
3. XXXXXXXX \$

The budget for this contract is \$. Funds have been provided through the 2013 Development Budget. The cost estimate for this contract was \$.

It is recommended that the contract be awarded to XXXXXXXX for a price of \$.

Tenders

This tender evaluation is for the "Contract Name".

The Invitation for Tenders was issued on Monday 3rd December 2012.

Advertising was carried out by:

1. Advertising in the Solomon Star newspaper on Monday 3rd December 2012, Wednesday 5th December 2012 and Friday 7th December 2012;
2. Contacting potential Tenderers;
3. Posting on the MoFT website.

Bidding documents were collected by six (6) contractors:

1. XXXXX
2. XXXXX
3. XXXXX
4. XXXXX
5. XXXXX
6. XXXXX

Tenders closed at 2pm on Friday 25th January 2013.

Four (4) tenderers submitted tenders:

1. XXXXXX
2. XXXXXX
3. XXXXXX
4. XXXXXX

The XXXXXXXX tender was received late on Monday 28th January 2013 at 10am and was returned unopened.

Funding

Funding is being provided through the SIG Development Budget.

The budget for the project is \$.

The cost estimate for this contract was \$

Examination of Tenders

Tenders were opened at 3:00pm on Friday 25th January 2013

The tenders were examined for qualification criteria and the results are shown in the attached Tender Preliminary Evaluation.

Tender 2 from XXXXX did not satisfy the qualifying criteria and was rejected because it was incomplete and did not include a performance guarantee.

The following Tenderers qualified for consideration of their tenders:

1. XXXXXX \$
2. XXXXXX \$
3. XXXXXX \$ (price adjusted for errors)

The tender price from XXXXXXXX was corrected because the tender did not include the price for the Provisional Sum.

Evaluation

The tender from XXXXXXXX is the lowest. However, it should be rejected for the following reasons:

1. The establishment costs are substantially higher than the other two tenders and the tenderer has not provided adequate information on their financial resources.
2. Except for the establishment prices, all other item prices are lower than the engineer's estimates.
3. They do not have an essential item of equipment, a pile driver, and have not nominated a sub-contractor.
4. They do not have the technical expertise to carry out the works.
5. They do not have experience on similar works.

The prices of the remaining two tenders, XXXXXXXX (\$) and XXXXXXXX (\$) are both higher than the engineer's estimate but are within the budget.

XXXXXXX price is the lowest with item prices mostly lower than XXXXXXXX prices.

Both contractors have the technical expertise and financial resources to undertake the contract. Both contractors have successfully completed similar projects.

Recommendation

Based on the examination and evaluation of the tenders it is recommended that the contract be awarded to XXXXXXXX.

Recommended by:

.....
Name:

Designation: Chairman, TEC

Date:

.....
Name:

Designation: Member, TEC

Date

.....
Name:

Designation: Member, TEC

Date:

Attachments:

Tender Opening Record

Late Tender Register

Tender Preliminary Evaluation

Tender Evaluation Summary

Tender Award Notification

Date:

(Contractor Name)

(Address)

(Address)

(Address)

Dear Sir,

AWARD OF CONTRACT FOR *(Insert contract name and contract number)*

The Central Tender Board has deliberated today on the evaluation and recommendations submitted by Ministry of Infrastructure and Development for endorsement of the contract for Bridge Works at XXXX

I am pleased to inform you that after carefully considering the details of the evaluation report and recommendation submissions that your Tender has been accepted for the sum of \$ *(insert price including any corrections or adjustments)*.

You are hereby informed to contact XXXXXXXX to arrange for contract formalities. Please note that a binding contract will not be in place until this contract is executed by both the Purchasing Agency and the Ministry of Finance and Treasury. Work should not be undertaken on this project until this contract is in place.

By copy of this letter, responsible authorities are hereby advised of this award.

Yours faithfully,

XXXXXXXXXX

Secretary - Central/Ministerial Tender Board

Cc: FC – Ministry of Infrastructure
Chairman, Central/Ministerial Tender Board
Accountant General
Auditor General
Procurement Section, Treasury



SOLOMON ISLANDS GOVERNMENT
Ministry of Finance and Treasury
CONTRACT SIGNING COMPLIANCE CHECKLIST

C5

(For signing of contract over \$200,000)

This checklist is to be submitted along with contracts for countersigning by the Accountant General/PSF. It should be submitted to Procurement Section of MoFT who will carry out compliance before passing to the Accountant General/PSF for signing.

Required documents:	FI Ref	Ministry	MoFT	Comments
Purchase Requisition (PR) for the entire value of the contract	P7 35			
Draft Contract (not yet signed by Supplier)	P7 10.1			
Tender Board Submission (Part 2 Only)				
Tender Award by CTB/MTB	P7 10.1			
Vendor Information Form (for new vendor)				
ICT Checklist attached (if for ICT equipment)				
Compliance checks required:				
Contract form approved by Attorney General	P7 27.2			
PR has been signed by authorized person (and not approving payment to themselves)	P7 44			
Check amount on PR matches the signed contract				
Account code used is correct	P7 38.5(e)			
Name on PR matches signed contract	P7 38.5(e)			
Check price and rates are reasonable	P7 43.2(b)			
Data entry checks (carried out by MoFT):				
Amount entered in AX matches Requisition				
Account code in AX matches Requisition				
Vendor name in AX matches Requisition				
Item code and Units entered (eg box, each) correctly				
Description has enough detail				
Check dates on future installments entered correctly				
Budget OK				

Note: If any of the above is not able to be certified please include an explanation of why. This will speed up the compliance process.

Ministry Compliance performed by:

MoFT Compliance performed by:

Signed: _____

Signed: _____

Name and Position: _____

Name and Position: _____

Date: _____

Date: _____

Short-listing Worksheet – Consulting Services

Contract Name:

Tender Number:

Short-listing Criteria	Max no of points	Tenderer 1	Tenderer 2	Tenderer 3	Tenderer 4
(I) Core Business and Years in Business (10 points)					
1. Firm's core business	5				
2. Firm's years in business	5				
Total points for Criteria I	10				
(II) Technical and Managerial Organisation of the Firm (10 points)					
1. Technical and Managerial Organisation of the Firm	10				
Total points for Criteria II	10				
(III) Description of similar assignments (40 points)					
1. Number of assignments undertaken, which are similar to the one described in the EOI Example Scoring system: <3: 0 – 10pts 3-4: 10 – 20pts 5-6: 20 – 30pts >6: 30 – 40pts	40				
Total points for Criteria III	40				
(IV) Experience with similar conditions (10 points)					
1. Experience in similar countries/provinces (delete as applicable)	10				
Total points for Criteria IV	10				
(V) Availability of appropriate skills among staff (30 points)					
1. Availability of qualified staff (within the firm) with the appropriate qualifications / experience to undertake the assignment (This assessment is NOT an evaluation of specific CVs in the brochure, but only a determination that the required experts and their qualifications as identified in the TOR are available in the firm as identified from the firm's brochure)	30				
Total points for Criteria V	30				
Total score from Shortlisting	100				
Rank					
Shortlisted (Y/N)					

Tender Evaluation Summary – Consulting Services

Contract Name:

Evaluator Name:

Tender Number:

		Tenderer 1	Tenderer 2	Tenderer 3
PART 1: TECHNICAL EVALUATION				
Tender Criteria	Max no of points			
(I) Specific Experience of the Consultants relevant to the assignment (10 points)				
1. Specific Experience of the Consultants relevant to the assignment	10			
Total points for Criteria I	10			
(II) Adequacy of the proposed methodology and work plan in responding to the Terms of Reference (30 points)				
1. Technical approach and methodology	15			
2. Adequacy of Logistics and Administrative Capacity	15			
Total points for Criteria II	30			
(III) Key professional staff qualifications and competence for the assignment (60 points)				
1. Team Leader (35 points)				
(a) General Qualifications (30%)	10.5			
(b) Adequacy for the assignment (60%)	21			
(c) Experience in the region and language (10%)	3.5			
2. IT Expert (25 points)				
(a) General Qualifications (30%)	7.5			
(b) Adequacy for the assignment (60%)	15			
(c) Experience in the region and language (10%)	2.5			
Total points for Criteria III	60			
Technical Score S(t)	100			

		Tenderer 1	Tenderer 2	Tenderer 3
PART 2: FINANCIAL EVALUATION				
Proposal Price	(1)			
Adjustments	(2)			
Evaluated Price	(3) = (1) + (2)			
Financial Score S(f)	(4) *			
PART 3: COMBINED TECHNICAL/FINANCIAL EVALUATION – AWARD RECOMMENDATION:				
<i>Technical Evaluation:</i>				
Technical Score	S(t)			
Weighted Score	$WS(t) = \frac{S(t)}{W(t)} *$			
Technical Rank				
<i>Financial Evaluation:</i>				
Financial Score	S(f)			
Weighted Score	$WS(f) = \frac{S(f)}{W(f)} *$			
<i>Combined Evaluation</i>				
Combined Score	WS(t) + WS(f)			
Rank				
Award Recommendation (to Tenderer with the highest combined score)				
Name: _____				

*Financial Score is calculated as follows: Financial Score = (Lowest Evaluated Price for any bidder/Evaluated Price for bid under consideration) x 100

W(t) – Technical Weighting will be determined in the Tender Bidding Documents

W(f) – Financial Weighting will be determined in the Tender Bidding Documents

Payment Certificate

PROJECT TITLE:

CONTRACT NO:

LOCATION:

CONTRACTOR:

DATE OF CERTIFICATE:

DATE PAYMENT DUE:

CONTRACT PAYMENT PARTICULARS	LINE NO:	AMOUNT	REMARKS
Original contract amount	1		
Authorised Variations (Variation no XX + XX)	2		
Amended Contract Amount (1+2)	3		
Value of work completed to date	4		
Less previously paid (Claim XX to XX)	5		
Gross Amount Due (4-5)	6		
Add: Amount of advance claimed on <u>this certificate</u>	7		
Less: Advance Repayment <u>this certificate</u>	8		
Less: Retention (X% of Gross Amount Due)	9		
Less: Liquidated Damages for xx day/wk @ \$xx	10		
Less: Other Deductions	11		
AMOUNT NOW PAYABLE (6+7-8-9-10-11)	12		
Balance of amount now available on contract (after this payment)	13		

Prepared by

(Name/Position): _____

I certify this payment amount is correct as regards to rates and charges and the faithful performance of the services in the sum of \$ (AMOUNT NOW PAYABLE)

Certified by

(Name/Position): _____

Note: this certificate is used when payment is based on % of completion. A separate format should be used for milestone based contracts