

Bidding for a World Bank-Funded Contract

Italy, 2013



How to complete a responsive bid

Tips for Success

- Monitor www.undbonline.com regularly for Specific Procurement Notices for goods which you sell
- Dedicate staff to preparing bids in World Bank format
- Prepare standard templates of your company's information in World Bank format e.g. company information, CVs etc.
- Make sure your commercial bank will issue bid security in World Bank standard format
- If you have questions or concerns, raise them with Purchaser and Bank before submitting your bid

How to complete a responsive bid

Tips for Success

- Use a commercial bank which has a correspondent bank in the Purchaser's country for Letters of Credit
- Take special care when bidding as a Joint Venture
- Bid For and Bid Security must be in name of the JV
- Choose a reliable local agent, business partner
- Check the eligibility of all JV partners, subcontractors
- Maintain efficient administration for preparing bids

How to complete a responsive bid

Documents Comprising the Bid

- Letter of Bid, in WB standard form
- Complete Price Schedules for Goods offered
- Bid security in WB standard form, issued by a reputable financial institution
- Power of attorney for signatory of bid
- Documents establishing bidder's eligibility to bid:
 - Manufacturer's Authorization Form (for traders)
 - Agency agreement, if represented by an Agent in Purchaser's country

Permissible Bid Evaluation Criteria

Specified in Bidding Documents

- Delivery schedule:
 - Purchaser may select one of two options
 - Fixed delivery period e.g. 10 weeks
 - Variable within a range e.g. 10-18 weeks
 - If Variable, notional amount will be added to bid price in evaluation e.g. 0.5% of bid price for each week of delay after 10 weeks
 - Offering later delivery will lead to rejection of bid

Permissible Bid Evaluation Criteria

Specified in Bidding Documents

- Payment Schedule
 - Read BD to see if offering an alternative payment schedule is acceptable
 - Purchaser proposes payment schedule vs Bidder's
 - Contract Signature: 10% **10%**
 - Shipment: 70% **80%**
 - Acceptance: 20% **10%**
 - For evaluation, Purchaser will make notional adjustment (increase) to your bid price

Permissible Bid Evaluation Criteria

Specified in Bidding Documents

- Cost of Mandatory Spare Parts
- Cost to the Purchaser of establishing service facilities and spare parts inventory in the Purchaser's country
- Operating and Maintenance Costs over life cycle of the Goods (used for capital equipment only)

Common Mistakes Leading to Rejection of Bid

Don't Do This!

- Letter of Bid is not signed
- Signatory of bids is not authorized by Power of Attorney
- Bid security is:
 - Not provided
 - issued in an unacceptable form
 - issued by an unacceptable financial institution
 - short of required duration i.e. must be valid 30 days longer than bid
 - short of required value e.g. \$97,500 vs \$100,000

Common Mistakes Leading to Rejection of Bid

Don't Do This!

- Validity of bid is short
- Bidder refuses to accept application of Purchaser's national law to the contract
- Bidder refuses to accept Purchaser's terms and conditions of contract e.g. period of warranty
- Bidder counter-offers his own Terms and Conditions of Sale in his bid
- Bid includes a major technical deviation from goods described by the Purchaser