



## THE LOCAL OPEN TENDER PROCEDURE FOR SUPPLIES

(EUR 150,000 – 299,999)

The Local Open Tender Procedure, from here on named Local Open Tender, is more elaborate than the Negotiated Procedure. It is applicable to higher value purchases of EUR 150,000 – 299,999.

A Local Open Tender requires a public and specified advertisement of a Tender in newspapers and suitable online procurement media, with a bid flow of at least 21 days. A Local Open Tender shall provide eligible suppliers with equal business opportunities.

The Tender Dossier shall be drafted and forwarded to interested suppliers, who then can submit a tender. After the deadline for receiving tenders, they shall be opened and announced in the optional presence of all interested tenderers. Evaluation of tenders is undertaken by the Procurement Committee based on a clearly predefined evaluation grid and the most compliant tenderer is awarded the contract. A public Award Notice is required and letters to all unsuccessful suppliers shall be submitted.

As the commercial risks for high value purchases are increased, consider the use of prepayment, tender and performance guarantees. For more information on financial guarantees.

Before the procurement process is initiated, please ensure that all members of the Procurement Committee sign the Declaration of Impartiality and Confidentiality. Furthermore, please ensure that the mandatory general Advertisement of Business Opportunities was published. For more information on the general Advertisement of Business Opportunities, visit the VSVCW procurement manual on website.

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### Step Guide:

#### Purchase Request with Technical Specifications



Identify the supplies to be procured from the Procurement Plan and draft the technical specifications.

Procurement starts with the completion and authorization of the Purchase Request. The Purchase Request originates outside the Procurement Department.



The Purchase Request identifies the technical specifications of the supplies, ensures budget availability and requests the procurement responsible staff to procure the supplies. Please also refer to the logistical manual for more information. Clear, adequate and well-defined technical specifications are a prerequisite for receiving quotations matching the requirements and the budget.

**NOTE:** If a supplier assists with input to the technical specifications, the supplier is excluded from participating in that procedure.

## Draft Tender Dossier



Carefully prepare the Tender Dossier. When preparing the Tender Dossier consider all the articles and options and decide on:



### Deadline

Decide on the deadline for receipt of tenders. The bid flow shall be a minimum of 21 days.



### Award Criteria

The Tender Dossier shall stipulate the award criteria for the Contract. The contract shall be awarded to the most compliant tender, i.e. the tenderer who is substantially responsive, technically compliant, and who has offered the best quality and price. The tenderer shall have demonstrated capability and resources to carry out the contract effectively.



### Timetable for Tender Procedure

Tenderers shall be informed of the planned timetable for the further tender procedure, incl. clarifications, deadline, tender opening date.

### Transport and Storage

When are the goods required at site? Consider if the timeframe is realistic or if it provides too short lead times for supplier(s). Will the project staff themselves arrange for transport from delivery point to final site, and which Incoterm shall be applied? The choice of transport and the associated environmental risks shall also be considered. Has consideration been given to storage facilities at site? Lack of storage facilities could be solved by requesting partial deliveries in the Tender Dossier. Partial deliveries are also common for products with a short shelf life. It is recommended to draft a distribution schedule as a working tool.

### Ethical Criteria

It is recommended to collect general information on sector and specific ethical risks to identify potential risks related to procuring the product in question. Is there a need to include specific ethical criteria in the Tender Dossier such as certifications or specific terms in the contract such as environmental or social performance? For implementation of the ethical procurement principles.

### Inspection

Will a pre-shipment inspection be required, or will the goods be inspected upon arrival?

### Bank Guarantees

Will a tender or performance guarantee be required, as recommended for contracts above EUR 50,000? Or a prepayment guarantee?



### MANDATORY TEMPLATE:

#### Tender Dossier

Support Template

Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

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## Publish Tender Notice



Draft the Tender Notice. The Tender Notice shall as a minimum describe the supplies to be procured including the essential technical specifications, the rules governing the submission and presentation of tenders, the exclusion, selection and award criteria, and where and when the Tender Dossier can be collected.

Interested Tenderers shall be given a minimum of 21 days to submit a tender from the date of publishing the Tender Notice until deadline. The bid flow of 21 days may be longer depending on the nature of the supplies.

The Tender Notice shall be published in suitable medias e.g. newspapers, websites as well as media required by donor. To provide eligible suppliers with equal business opportunities, the Procurement Committee is encouraged to submit the Tender Notice directly to a broad list of suppliers who could be interested in participating in the tender process.

It is in the interest of the Procurement Committee to ensure the widest possible participation in the tender process to obtain the best quality and value for money.

**NOTE:** The Tender Dossier shall be available on the date of publishing the Tender Notice.

### MANDATORY TEMPLATE:

Tender Notice

Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

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## Submit Tender Dossier



Within 1-2 days of the Tender Dossier being requested it shall be submitted to interested suppliers. At this stage it is also important to communicate the ethical principles and standards to the suppliers.



Keep a record of the date the Tender Dossier was submitted and to whom. Identify each tenderer by a number.

Should the Contracting Authority require an amendment to the Tender specifications or TOR, communicate to all tenderers interested in participating in the tender procedure. Tenderers may submit questions and clarifications in writing according to the date specified in the Tender Dossier. Information regarding interpretation of the Tender Dossier shall be requested in writing only. Tenderers are not allowed to approach the Contracting Authority for oral clarification. Clarifications to the Tender Dossier shall be documented and shared with all tenderers interested in participating in the tender procedure.

Any prospective tenderer seeking to arrange individual meetings during the tender period with either the Contracting Authority and/or any other organization with which the Contracting Authority is associated or linked to, shall be excluded from the tender procedure.

**NOTE:** Tenderers shall never pay for costs in relation to the tender process and it is not acceptable procurement practice to sell the Tender Dossiers against a so called tender document fee.

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**MANDATORY TEMPLATE:**

Shortlist of suppliers/candidates and receipt form  
Tender amendment, questions and answers

Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

## Receive Tenders



For each tender received, the date and time of receipt shall be registered, including name of the person who received the tender. All received tenders shall be kept unopened in a secure place until the tender opening session. All tenders received after the deadline shall be rejected at the tender opening. If the deadline is 17:00 hrs,

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## Conduct Tender Opening Session



Conduct a tender opening session where all tenderers who have submitted a tender are invited to participate. Tenders shall be opened at the announced time, place and date in the presence of tenderers who choose to attend. The names of the tenderers and prices are read aloud and registered, and tenderers who participate

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For guidance on how to prepare and conduct the tender opening session: Tender Opening Checklist.

**MANDATORY TEMPLATE:**

List of participants  
Tender Opening  
Tender Opening

Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

## Ensure Administrative Compliance



After the tender opening the Procurement Committee shall carry out administrative compliance check of the received tenders. Evaluation Grid for Open Tender. This is a preliminary examination of all tenders and not an evaluation of the actual proposals.

Each tender shall be checked for administrative compliance based on the requirements set out in the Tender Dossier e.g.

- Was the tender received before the deadline?
- Is the required no. of copies supplied?
- Is the Tender Submission Form completed and duly signed?
- Are requirements to origin and nationality respected (if required)?

- Are all the requested documents submitted and properly signed e.g. certification, references, bank guarantees, the Tender Submission Form, etc. The required documents are listed under “instructions to tenderers” in the Tender Dossier.

Tenders which do not comply shall be rejected and the reason for rejection shall be stated.

#### **MANDATORY TEMPLATE:**

Evaluation grid for open tender.

Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

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### **Evaluate and Select Tenderer**



After ensuring the administrative compliance, each member of the Procurement Committee shall receive a copy of the compliant tenders for evaluation and analysis. This evaluation shall be done in private and each member shall fill in part B and C of the Evaluation Grid in SUP 5. Tenderers are not allowed to be present. Make sure all the evaluation criteria, defined in the Tender Dossier are applied to the Evaluation Grid before evaluation starts.



After the individual evaluations an evaluation meeting is carried out where the Procurement Committee discusses their individual evaluations, draft a joint



Evaluation Grid, rank proposals and select the winning tenderer. The joint Evaluation Grid shall clearly document why the winning proposal was selected and shall be signed by all members of the Procurement Committee. Tenderers cannot attend this meeting.



Before issuing the Contract, please verify the winning supplier's eligibility as per Visit the VSVCW Counter Terrorism Policy, by checking the UN Security Council, EU and donor required sanctions lists.

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**NOTE:** During the evaluation it may be necessary to obtain clarification from a tenderer. Depending on the type of clarification, the tenderer shall be allowed at least 48 hours to respond. Always remember to put a deadline for receipt of the clarification and all communication shall be in writing.

#### **Evaluation Challenges**

- If there is a need to amend the technical specifications described in the Tender Dossier, either by reducing or increasing the minimum requirements, the tender process shall be cancelled and a new procedure initiated, starting from step 1. The deadline for submitting tenders can be reduced from 21 to 15 days (or less), depending on the complexity. This emphasizes the importance of drafting clear and thorough technical specifications from the outset of the procurement process.
- If all financial offers exceed the budget substantially, the cause for this can either be change in the market price, minimum technical requirements are too high, etc. The reason for the high offers shall be clarified. Proceed as described in the above case scenario if changes to the technical specifications are needed.
- If less than three tenders have been received, the Contracting Authority can proceed with the best tender provided that general procurement principles are met, including proper advertisement. If there is a need to make substantial changes to the contract terms e.g. technical specifications, the tender process shall be cancelled and a new process initiated, starting from step 1. If no tenders are received a new tender procedure shall also be initiated. Please analyse the possible reason for the lack of tenders and implement the findings in the new Tender Notice and the Tender

**MANDATORY TEMPLATE:**

Evaluation Grid for Open Tender. Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

## Issue Contract and Send Letter of Acceptance



The Procurement Committee sends a Letter of Acceptance to the selected tenderer, and issues the contract applying the template in the Tender Dossier Check if the standard contract must be adapted to national legislation, traditions or requirements. Incorporate all agreements reached with the selected supplier in the contract and never delete or make alterations to the GTC.



The contract shall be forwarded unsigned to the selected tenderer and returned signed to the Contracting Authority. Only thereafter shall the contract be signed by the Contracting Authority. Signing the contract creates a legally binding document for both parties.



Before signing the contract, the Procurement Committee shall ensure:

That adequate and exact references are made in the contract to the tenderer  
That the tenderer acknowledges the GTC and the COC without exceptions or  
amendments. For new suppliers, make sure that satisfactory references and company  
data has been collected

**NOTE:** If the selected tenderer cannot accept the GTC the Procurement Committee  
shall decline the bid and continue the process with another tenderer.

**MANDATORY TEMPLATE:**

Tender Dossier

Letter of acceptance

Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

## Send Letter to Unsuccessful Tenderers



After the contract has been signed, the Procurement Committee shall submit a notification letter to the unsuccessful tenderers notifying them of the result of the tender process.

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**MANDATORY TEMPLATE:**

Letter to unsuccessful suppliers.

Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

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## Publish Award Notice



It is mandatory to publish an Award Notice. The Award Notice shall be published in a suitable media where suppliers will notice the information and on the Contracting Authority's website. The purpose of a public announcement is to meet the principle of transparency with the added benefit of attracting new suppliers. Thus,

the Award Notice is useful and recommended for all contracts.

For situations where the Procurement Committee finds that posting an Award Notice will bring project staff, beneficiaries, the project or the winning contractor at risk, the

**NOTE:** The Procurement Committee shall take notice of any specific donor requirements for publishing an Award Notice.

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**MANDATORY TEMPLATE:**

Award Notice. Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

## Receive and Inspect



Inspect the supplies received to ensure they comply with the Purchase Order and file a proof of receipt of the supplies. The Contracting Authority shall follow up on the timely delivery and satisfactory quality of the received supplies and take remedial measures to mitigate any negative consequences for the beneficiaries, caused by

late delivery or shortfall in the agreed quantity and quality.

**SUPPORT TEMPLATE**

Good received Note. Visit the VSVCW procurement tool on website [www.vsvcw.org](http://www.vsvcw.org)

## DOCUMENTATION IN THE PROCUREMENT FILE



- Purchase Request
- Tender Dossier
- Tender Notice
- Shortlist of Suppliers/Candidates and Receipt Form
- Tenders
- Amendments, Questions and Answers
- Tender Opening Minutes (Checklist, List of Participants, Tender Opening)
- Evaluation Grid for Open Tender Incl. Declaration
- Contract and Letter of Acceptance
- Letter to Unsuccessful Suppliers
- Copy of Invoice
- Shipping Documents, if relevant
- Award Notice
- Proof of receipt of the supplies
- Note to File, if relevant