



GUIDANCE NOTE

EVALUATION OF BIDS/PROPOSALS ON CDB-FINANCED PROJECTS

General

- The procurement/contracting process is the responsibility of the executing agency managing the project. Caribbean Development Bank (CDB) staff can provide procurement advice and assistance but cannot undertake any “hands-on” procurement, including evaluations
- The bid¹ opening and bid evaluation team (if different) shall be identified prior to tender issue
- The evaluation team should include suitable technical experts and have a chairperson to oversee the process. If this expertise is lacking suitable external specialists may be utilised to supplement the team. This should be discussed with CDB
- The evaluation team should be formed of not less than three and normally not more than seven members
- All members must make a written declaration, prior to commencing work, that they have no conflicts of interest as defined under CDB’s Procurement Guidelines. If necessary, members should recuse themselves
- Other in-country parties, such as senior management or the Tenders Board, who are required to review/approve the evaluation report and recommendations, should be briefed and advised about the process and anticipated required timing for their inputs
- Ascertain whether procurement is subject to “prior review”² and thus evaluation report needs CDB’s No Objection

Bid Submission / Opening

- There must be a secure location to receive and secure bids i.e. tender box or equivalent
- Opening of bids should take place immediately or promptly after bid submission deadline. Delays undermine the perceived integrity of the process
- For open bidding processes, all bidders shall be invited to attend a public tender opening
- At a bid opening ceremony, only late bids shall be rejected and only agreed limited pertinent details read out. Merits or flaws of bids shall not be discussed
- Bid opening minutes shall be prepared and shared with CDB as well as all bidders, whether they attended or not
- After the opening ceremony, bids must be secured in a suitable physical location only accessible by evaluation team members. In the case of consultancy services, financial proposals shall not be opened at the initial opening of technical proposals, but acknowledged as present and then secured with an independent authority

Evaluation

- Evaluation shall be a confidential process. No information is to be shared with bidders³ until the award of the contract, and documents shall continue to be secured
- The Chairperson plays a critical role in briefing the evaluation committee on process and responsibilities
- There are standard CDB evaluation report templates for goods and works as well as consultancy services. While these are not mandatory for most procurements, they provide a useful structure
- The evaluation process must conform with the evaluation criteria stated in the tender document or any subsequent amendment to the tender document

Questions? Contact us

www.caribank.org | procurement@caribank.org



¹“Bid” shall be considered to include proposals for consultancy services for the purposes of this guidance note. In a similar manner “tender” shall be considered to include Request for Proposals, in this guidance note.

²See Appendix 2 in Guidelines for Procurement and Appendix 1 in Guidelines for Selection and Engagement of Consultants

³Other than any formal written requests for clarification or negotiation process allowed for under CDB guidelines

- For goods, works and non-consultancy services:
 - » The objective is to seek the lowest-cost, substantially responsive bid (not the lowest-cost bid!)
 - » Bids with material deviations, reservations or omissions shall be rejected
 - » Requests for clarifications may be sought from bidders so long as these do not change the price or substance of bid. If the bidder does not respond within the stated deadline, the bid shall not be further considered
 - » Provided that a bid is substantially responsive, non-material non-conformities shall be accepted. Where these are quantifiable the bid price shall be revised according to the tender document
 - » Qualifications of lowest cost responsive bidder shall be assessed if post-qualification or determined to still be valid if pre-qualification applied
 - » An evaluation report shall be prepared and CDB's No Objection shall be sought if subject to prior review
- For consultancy services (firms/organisations):
 - » The objective is to contract high quality services, while considering an appropriate balance between technical quality and price offerings for assignment in question
 - » There are a number of slightly different evaluation processes linked to the selection method used but, apart from Consultants' Qualifications Selection (CQS) and single source selection (SSS), all the methods require the evaluation of technical proposals, against the stated technical evaluation criteria, as a first step
 - » Scope for requesting clarifications is limited to perfunctory inquiries and if CDB no objection is needed
 - » Technical evaluation should be concluded with the issuance of the Technical Evaluation Report and subsequent no objection from CDB (assuming prior review applies). Following this, those firms that achieved the minimum technical score (or in case of Quality Based Selection only the firm with highest technical score) shall be invited to public opening of financial proposals. Firms that did not meet the minimum technical score must be informed and provided with their scoring breakdown
 - » Minutes of financial proposals opening shall be shared with all consultants who achieved minimum technical score and CDB

- » Financial evaluation and the recommendation for award of contract shall follow, using the process dictated by the selection method stated in Request for Proposals. Final version of evaluation report shall be prepared and shared with CDB

Negotiations

- **Goods, works and non-consultancy services:** If the process is competitive but the price exceeds available funds, a discount cannot be unilaterally requested. If funds cannot be allocated from elsewhere, the options are to negotiate a reduced scope of works or reallocation of risks and responsibilities, resulting in a reduced contract price, while still realising the intended outcomes
- **Consultancy services:** Technical negotiation shall consider methodology, recipient's inputs, and in turn, the finalisation of terms of reference. Financial negotiations shall consider:
 - » Treatment of local taxes (i.e. exemption, payment on behalf of consultant or reimbursement)
 - » For Quality Cost Based Selection, where cost exceeds budget, and funds cannot be reallocated from elsewhere, consideration should be given to amending the scope of project while still seeking to realise intended outcomes. Price negotiations are possible under Quality Based Selection, CQS and SSS selection methods.
- Negotiation meetings should be formally documented and shared with CDB

For further advice on evaluation procedures on CDB-financed projects, please consult CDB's Procurement Guidelines, relevant sections of [CDB's Online Procurement Training](#) or CDB members of staff at procurement@caribank.org.

⁴See sections 3.7 and 3.8 of the Guidelines for Selection and Engagement of Consultants