

# **Standard Bid Evaluation Form**

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## **Procurement of Goods or Works**

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**SEPTEMBER 2015**



## **Preface**

This document is intended specifically for assisting in the evaluation of bids procured through International Competitive Bidding (ICB), as well as through Limited International Bidding (LIB) and Regional Competitive Bidding (RCB), whether subject to prior or post review. It should also prove useful, with appropriate modifications, to Recipients for evaluation under National Competitive Bidding (NCB) procedures.

Upon notification of contract award to the successful bidder by the Recipient, and in accordance with the General Conditions of the Financing Agreement, CDB is authorized to publish a description of the contract, the name and nationality of the contract awardee, and the contract price.



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## How to Use These Forms

1. The evaluation forms and guide contained in this document provide step-by-step procedures for the evaluation of bids solicited through ICB. In all instances, the bidding and evaluation procedures described in the Instructions to Bidders (ITB) of the actual bidding document used should be followed.
2. ICB is conducted using the Standard Bidding Documents (SBDs)<sup>1</sup> issued by CDB and required for use by Recipients.<sup>2</sup> The following SBDs are currently available:
  - (a) Procurement of Goods (referred to herein as Goods or SBDG)
  - (b) Procurement of Works (referred to herein as Large Works or SBDLW)
  - (c) Procurement of Small Works (referred to herein as Large Works or SBDSW)
3. Although each of the documents is different, their ITBs are very similar. The following standard forms and guide are based on those ITBs, as well as on the Bid Data Sheets (BDSs), which follow the ITB and provide contract-specific information.
4. Readers should note that evaluation and the resulting report need not necessarily be lengthy. Procurement of off-the-shelf goods without regional preferences can usually be quickly and easily evaluated. In general, the complexity of evaluation lies with larger works. The forms should invariably accompany the evaluation report, but they may be adapted to suit specific requirements of the bidding documents. The report should include a number of attachments to explain details of bid evaluation or to show specific controversial wording or numbers in a bid. Cross-referencing should be used extensively, as well as references to pertinent clauses in the bidding documents.
5. Special mention should be made of contracts that group together (“package”) smaller contracts (“lots”—also called “slices” or “items”), which may be awarded as a package to one bidder, or as sub-packages of one or more lots to several bidders. In such instances the bid evaluation is to be done separately, including any allowances for regional preferences, for each lot, subject to any cross-discounting (see Annex I, para. 7(b)). Only Tables 1, 2, and 3 will be common to all.
6. Recipients should study these evaluation forms and guide during project preparation, in order to properly assess the managerial and administrative conditions needed for bid evaluation. CDB staff are available to explain the procedures, including any modifications necessary for evaluation using bidding documents other than those SBDs presently available. CDB encourages the employment of experienced consultants to help in evaluations for

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<sup>1</sup> See *Guidelines for Procurement (2006)*, para. 2.12. When the relevant documents are not available, the use of other international documents may be acceptable to CDB.

<sup>2</sup> “Recipient” refers here to the implementing agency, which may also be called the “Purchaser” or the “Employer.”

complex contracts. Consultant fees can be paid from CDB financing, if allowed for in the Financing Agreement.



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## **Section I. Bid Evaluation Standard Forms**

**Standard Cover**

**Bid Evaluation Report  
and  
Recommendation for Award of Contract**

Name of Project:

Project No.:

Contract Name:

Identification Number:

Date of Submission:

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## **Letter of Transmittal**

If the contract is subject to prior review, the bid evaluation report should be attached with a Letter of Transmittal from the Recipient ministry, department, or agency responsible for communications with CDB. The letter should highlight conclusions and offer any additional information that would help to expedite review by CDB. In addition, any unresolved or potentially contentious issues should be highlighted. The letter should be sent to the Operations Officer responsible for the project.

**Table 1. Identification**

1.1 Name of Recipient	
1.2 Financing Agreement reference:	
1.3 Date of effectiveness	
1.4 Closing date (a) original (b) revised	
1.5 Name of project	
1.6 Purchaser (or Employer) (a) name (b) address	
1.7 Contract number (identification)	
1.8 Contract description	
1.9 Cost estimate <sup>1</sup>	
1.10 Method of procurement (check one)	ICB                      LIB                      RIB  Other
1.11 Prior review required <sup>2</sup>	Yes                      No
1.12 Regional preference allowed	Yes                      No
1.13 Fixed price contract	Yes                      No
1.14 Cofinancing, if any: (a) agency name (b) percent financed by agency	

<sup>1</sup> Cite source and date if other than Appraisal Report.

<sup>2</sup> If response is “no,” items 2.2(b), 2.4(b), and 2.6(b) in Table 2 may be left blank, unless the CDB’s prior review was specifically requested.

**Table 2. Bidding Process**

2.1	General Procurement Notice (a) first issue date (b) latest update			
2.2	Prequalification, if required (a) number of firms prequalified (b) date of CDB's no-objection			
2.3	Specific procurement notice (a) name of national newspaper (b) issue date (c) name of international publication (d) issue date (e) number of firms notified			
2.4	Standard Bidding Document (a) title, publication date (b) date of CDB's no-objection (c) date of issue to bidders			
2.5	Number of firms issued documents			
2.6	Amendments to documents, if any (a) list all issue dates (b) date(s) of CDB's no-objection	1.	2.	3.
2.7	Date of pre-bid conference, if any			
2.8	Date minutes of conference sent to bidders and CDB			

**Table 3. Bid Submission and Opening**

3.1 Bid submission deadline	
(a) original date, time	
(b) extensions, if any	
3.2 Bid opening date, time	
3.3 Record of bid opening, date sent to CDB	
3.4 Number of bids submitted	
3.5 Bid validity period (days or weeks)	
(a) originally specified	
(b) extensions, if any	
(c) date of CDB's no-objection, if required <sup>1</sup>	

**Note:** Contracts under two-stage bidding will require the information requested for each stage to be filled out. Refer to *Guidelines for Procurement (2006)*, para. 2.6.

<sup>1</sup> Refer to Annex I, para. 3 herein.

**Table 4. Bid Prices (as Read Out)**

Bidder Identification			Read-out Bid Price(s) <sup>1</sup>	
Name <i>(a)</i>	City/State or Province <i>(b)</i>	Country <i>(c)</i>	Currency(ies) <i>(d)</i>	Amount(s) of <i>(e)</i>
etc.				

<sup>1</sup> For single currency option (see Annex I, para. 6(d)(ii)), secondary currencies are expressed in column *e* as a percentage of the t

<sup>2</sup> Describe any modifications to the read-out bid, such as discounts offered, withdrawals, and alternative bids. Note also the absence of security or other critical items. Refer also to Annex I, para. 2 herein.

**Table 5. Preliminary Examination**

Bidder <i>(a)</i>	Verification <i>(b)</i>	Eligibility <i>(c)</i>	Bid Security <i>(d)</i>	Completeness of Bid <i>(e)</i>	Substantial Responsiveness <i>(f)</i>
etc.					

**Note:** For explanations of headings, see Annex I, para. 5 herein. Additional columns may be needed, such as for responsiveness example in Annex IV.



**Table 6. Corrections and Unconditional Discounts**

Bidder	Read-out Bid Price(s)		Corrections		Corrected Bid Price(s)	Unconditional Discounts <sup>2</sup>	
	Currency(ies)	Amount(s)	Computational Errors <sup>1</sup>	Provisional Sums		Percent	Amount(s)
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f) = (c) + (d) - (e)</i>	<i>(g)</i>	<i>(h)</i>
etc.							

**Note:** Only bids accepted for preliminary examination (Table 5, column *g*) should be included in this and subsequent tables. Table 4 (columns *a*, *d*, and *e*, respectively).

<sup>1</sup> Corrections in column *d* may be positive or negative.

<sup>2</sup> If the discount is offered as a percent, column *h* is normally the product of the amounts in columns *f* and *g*. Refer to para. 6(c). an amount, it is entered directly in column *h*. A price increase is a negative discount.

## **Table 7. Exchange Rates**

Currency Used for Bid Evaluation:

Effective Date of Exchange Rate:

Authority or Publication Specified for Exchange Rate:

**Note:** Attach copy of exchange rates provided by specified authority or publication.

**Table 8. Currency Conversion (Multiple Currencies)**  
Specify Evaluation Currency:

Bidder <i>(a)</i>	Currency(ies) of Bid <i>(b)</i>	Corrected/Discounted Bid Price(s) <i>(c)</i>	Applicable Exchange Rate(s) <sup>1</sup> <i>(d)</i>	Eval Bid Price(s) <i>(e) = (c) x (d)</i>
etc.				

**Note:** This table is to be used for SBDG and Option B of SBDLW. Columns *a*, *b* and *c* are from Table 6, columns *a*, *b* and *i*.

<sup>1</sup> Column *d* is from Table 7.

<sup>2</sup> Column *f* is the sum of bid prices in column *e* for each bidder.

**Table 9. Currency Conversion (Single Currency)**

Specify Evaluation Currency:

Bidder	Corrected/Discounted Bid Price (in specified currency)	Payment Composition <sup>1</sup>			Exchange Rate Used by Bidder <sup>1</sup>	Amounts in Currency of Payment	Exchange Rate for Evaluation
		Currency of Payment	Percent of Total Bid	Amount in Evaluation Currency <i>(e) = (b) x (d)</i>			
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e) = (b) x (d)</i>	<i>(f)</i>	<i>(g) = (e) x (f)</i>	<i>(h)</i>
etc.							

**Note:** This table is used for SBDSW and Option A of SBDLW. Columns *a* and *b* are from Table 6, columns *a* and *i*.

<sup>1</sup> Columns *c*, *d*, and *f* are provided in the SBDLW Appendix to Bid and in the (Form of) Contractor's Bid in the SBDSW.

<sup>2</sup> Column *h* is from Table 7.

<sup>3</sup> Column *j* is the sum of bid prices in column *i* for each bidder.

**Table 10. Additions, Adjustments, and Priced Deviations**  
Specify Evaluation Currency:

Bidder <i>(a)</i>	Corrected/Discounted Bid Price <sup>1</sup> <i>(b)</i>	Additions <sup>2</sup> <i>(c)</i>	Adjustments <sup>2</sup> <i>(d)</i>	Priced Deviation <i>(e)</i>
etc.				

<sup>1</sup> Column *b* is from either Table 8, column *f* or Table 9, column *j*.

<sup>2</sup> Each insertion in columns *c*, *d*, or *e* should be footnoted and explained in adequate detail, accompanied by calculations. Refer to paras. 6(e), 6(f), and 6(g) respectively of Annex I

**Table 11. Regional Preference for Goods  
For Goods Manufactured in Commonwealth Caribbean Member  
Countries of CDB**

Specify Evaluation Currency:

Bidder <i>(a)</i>	Regional Preference Group <sup>1</sup> <i>(b)</i>	Total Price <sup>2</sup> <i>(c)</i>	Exclusions for Preference <sup>3</sup> <i>(d)</i>	Revised Total <i>(e) = (c) - (d)</i>	Prevailing Tariff (%) <sup>4</sup> <i>(f)</i>	Regional Preference (%) <sup>5</sup> <i>(g)</i>	Preference <i>(h)</i>
etc.							

<sup>1</sup> Column *b* refers to regional preference or non-regional preference groups detailed in evaluation section of tender document and as indicated by bidder, subject to verification by Recipient.

<sup>2</sup> Column *c* is from Table 10, column *f*. If the lowest total price is from a bidder subject to regional preference, it is the lowest evaluated bidder, and the remainder of the table need not be filled out. Columns *d* through *h* need to be filled out only for bids not subject to preference.

<sup>3</sup> Column *d* is the sum of costs in columns *d* and *e* from Table 10 plus other costs incurred within the Recipient's country. Footnotes should be provided to explain the significant components of column *d*.

<sup>4</sup> Column *f* is the sum of duties and import taxes on the particular items or group of similar items as a percent of the CIF or CIP price. Refer to para. 7(a) of Annex I.

<sup>5</sup> Column *g* will be the smaller of 15 percent or the prevailing tariff in column *f*.

<sup>6</sup> Column *h* for bidders subject to regional preference is zero. For other bidders, column *h* is the product of columns *e* and *g*.

**Table 12. Regional Preference for Works  
For Contractors from Commonwealth Caribbean Member Countries of  
CDB**

Specify Evaluation Currency:

Bidder <i>(a)</i>	Regional Preference Group <sup>1</sup> <i>(b)</i>	Total Price <sup>2</sup> <i>(c)</i>	Exclusions for Preference <sup>3</sup> <i>(d)</i>	Revised Total <i>(e) = (c) - (d)</i>	Preference <i>(f)</i>
etc.					

<sup>1</sup> Column *b* refers to regional preference (Group A) or non-regional preference groups (Group B) detailed in tender document as indicated by bidder, subject to verification by Recipient.

<sup>2</sup> Column *c* is from Table 10, column *f*. If the lowest priced bid is from Group A, it is the lowest evaluated bidder, and the remainder of the table need not be filled out.

<sup>3</sup> Column *d* is the sum of costs in columns *d* and *e* from Table 10. An attachment should be provided to explain the significant components of column *d*. Columns *d* and *e* may be left blank for Group A bidders.

<sup>4</sup> Column *f* for Group A bidders is zero. For Group B bidders, column *f* is 7.5 percent of column *e*.

**Table 13. Proposed Contract Award**

1. Lowest evaluated responsive bidder (proposed for contract award). (a) name (b) address		
2. If bid submitted by agent, list actual supplier. (a) name (b) address		
3. If bid from joint venture, list all partners, nationalities, and estimated shares of contract.		
4. Principle country(ies) of origin of goods/materials.		
5. Estimated date (month, year) of contract signing.		
6. Estimated delivery to project site/completion period.		
	Currency(ies)	Amount(s) or %
7. Bid Price(s) (Read-out) <sup>1</sup>		
8. Corrections for Errors <sup>2</sup>		
9. Discounts <sup>3</sup>		
10. Other Adjustments <sup>4</sup>		
11. Proposed Award <sup>5</sup>		

<sup>1</sup> From Table 6, columns *b* and *c*.

<sup>2</sup> From Table 6, column *d*.

<sup>3</sup> From Table 6, column *h*. Include any cross-discounts. See Annex I, para. 7(b).

<sup>4</sup> All adjustments should be explained in detail.

<sup>5</sup> Sum of the prices in Items 7–10. For single currency bids, express secondary currency amounts as percentages.



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## Annex I. Evaluation Guide

- 1. Identification, Bidding Process, and Bid Submission** Tables 1, 2, and 3 provide for the filing of basic information on the procurement process. This information is necessary to monitor compliance with the Financing Agreement, and particularly paras. 2.7 and 2.8 on advertising and notification of the *Guidelines*.
- 2. Bid Opening<sup>3</sup>** All bidders or their representatives are invited to attend the bid opening, where bids are read out and recorded, along with a list of attendees. The record is prepared for prompt transmittal to CDB. Copies should be sent to all bidders. Bid opening procedures are described in the ITB. To assist in carrying out the opening and preparing of the record, a recommended form of checklist is provided in Annex II. The checklist should preferably be filled out for each bid during the actual reading out at the meeting. The reading should be from the original version of each bid, and the actual amounts and other key details read out should be circled for later verification. If bids are expressed in a single currency, other currency needs expressed as a percentage should be recorded. It may also be desirable to read out exchange rates used by bidders (see para. 6(d)(ii) in this Annex).
- Any envelopes containing substitutions, modifications, or withdrawals must be subject to the same level of scrutiny, including the reading out of critical details, such as price changes. Failure to read out such information and include it in the written record may result in denial of its inclusion in bid evaluation. If a bid has been withdrawn by cable, it should nonetheless be read out and should not be returned to the bidder until the authenticity of the withdrawal notice has been confirmed.
- As stated in the ITBs, no bids should be rejected at the bid opening except those received after the deadline for receipt of bids. Such bids shall be returned unopened to the bidder. A summary of the read-out bid prices should be provided in Table 4.
- 3. Bid Validity** The duration of the validity of each bid should be the one specified in the ITB and should be confirmed in the signed (form of) bid. If exceptional circumstances occur in which award cannot be made within the validity period, extensions in writing should be requested of bidders, in accordance with the ITB (also *Guidelines*, para. 2.57). Extensions to the validity of bid security should also

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<sup>3</sup> See *Guidelines*, para. 2.45. The record should be sent promptly to CDB after bid opening and therefore does not usually accompany the bid evaluation report.

be requested of bidders, if necessary.<sup>4</sup> Note that for fixed price contracts subject to prior review, a no-objection by CDB is necessary for extensions longer than four (4) weeks and for any subsequent extensions (*Guidelines*, Appendix 2, para. 2(d)). Note any extensions in Table 3.

#### 4. Principles of Evaluation

After the public opening of bids, information relating to the examination, clarification, and evaluation of bids shall not be disclosed to bidders or other persons not officially concerned with this process until the successful bidder is notified of the award of contract (*Guidelines*, para. 2.47). CDB recommends appointment by the Recipient of an evaluation committee, consisting of a minimum of three qualified members who should work in a secure office where all bidding documents can be kept. There may be a considerable advantage if the same members participated in the preparation of the bidding documents.

On occasion, the Recipient may request clarifications of bidders concerning ambiguities or inconsistencies in the bid. As required in the ITBs, such requests shall be in writing, and no change in the price or scope of the originally offered goods, works, or services shall be sought or accepted, except for the correction of arithmetic error. The responses from bidders shall also be in writing. (Refer also to *Guidelines*, Appendix 4, para. 10.) No circumstances shall justify meetings or conversations between the Recipient (or its consultants) and bidders during the bid evaluation process.<sup>5</sup>

Bidders frequently attempt to contact the Recipient during bid evaluation, directly or indirectly, to query progress of evaluation, to offer unsolicited clarifications, or to provide criticisms of their competition. Receipt of such information should be acknowledged as to receipt only.<sup>6</sup> Recipients must evaluate bids on the basis of the information provided in the respective bids. However, additional information provided may be useful in improving the accuracy, speed, or fairness of the evaluation. Nonetheless, no changes in the bid price or substance are allowed.

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<sup>4</sup> Particular care must be taken in cases where the deadline for *submission* (or for opening) of bids can be extended, as the duration of bid security is frequently provided in terms of an expiration date. In contrast, bid validity is specified in terms of an interval after the deadline for receipt or the date of bid opening.

<sup>5</sup> See *Guidelines*, para. 2.6 for an explanation of two-stage bidding. If used, evaluation of the second-stage bidding follows the procedures in this *Annex I. Evaluation Guide*.

<sup>6</sup> On occasion, bidders approach CDB with information. CDB policy is to acknowledge the correspondence and pass it on to the Recipient for its consideration (*Guidelines*, Appendix 4, paras. 11–14).

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**5. Preliminary Examination of Bids**

The evaluation process should begin immediately after bid opening. The purpose of preliminary examination is to identify and reject bids that are incomplete, invalid, or substantially nonresponsive to the bidding documents and therefore are not to be considered further. The following checks should be applied:

- (a) Verification: Attention should be directed toward deficiencies that, if accepted, would provide unfair advantages to the bidder. Sound judgment must be used: for example, simple omissions or mistakes arguably occasioned by human error should not be grounds for rejection of the bid. Rarely is a bid perfect in all respects. However, the validity of the bid itself, for example, its signatures, must not be in question. If the bidder is a joint venture, the joint venture agreement must be submitted; if the bidder is an agent, an authorization from the supplier or manufacturer must be provided in addition to any documentation required of the supplier or manufacturer itself. All copies of the bid should be compared with the original and corrected accordingly, if necessary. Thereafter, the original should be kept in a safe location, and only copies should be used in evaluation.
- (b) Eligibility: The bidder must be a national or a juridic entity from an eligible source country as defined in the *Guidelines*.<sup>7</sup> All partners to a joint venture shall be from an eligible source country, and the joint venture shall be registered in an eligible source country. All goods and services shall originate from eligible source countries. In the case of plant and equipment, this eligibility test is applied only to the finished product offered in the bid and to its major and clearly identifiable components. If prequalification has taken place, only bids from prequalified bidders can be considered.<sup>8</sup> The bidder (including all members of a joint venture and subcontractors) may be disqualified if affiliated with a firm that has provided related consulting services on the project, or if the bidder is a publicly owned enterprise from the Recipient's country, lacking legal and financial autonomy. (See the ITB for details.)
- (c) Bid Security: The bidding document may require submission of a bid security. If so, the bid security must conform to the requirements of the ITB, and it must

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<sup>7</sup> A list of eligible source countries are listed in Annex III.

<sup>8</sup> The juridic entities of the prequalified bidders may not be modified in the submission of bids.

accompany the bid. If the bid security is issued as a bank guarantee, it must be consistent with the wording of the bid security form provided in the bidding document. Submission of a copy of the security or submission of a counterguarantee naming the Recipient's bank instead of the Recipient is unacceptable. Furthermore, securities for an amount smaller or for a period shorter than the one specified in the ITB are not acceptable. The security for a bid submitted by a joint venture should be in the name of all of the partners of the joint venture.

- (d) Completeness of Bid: Unless the bidding documents have specifically allowed partial bids—permitting bidders to quote for only select items or for only partial quantities of a particular item—bids not offering all of the required items should ordinarily be considered nonresponsive. However, under works contracts, missing prices for occasional work items are considered to be included in prices for closely related items elsewhere. If any erasures, interlineations, additions, or other changes have been made, they should be initialed by the bidder. They may be acceptable if they are corrective, editorial, or explanatory. If they are not, they should be treated as deviations and should be analyzed as per para. 5(e) below. Missing pages in the original copy of the bid may be cause for rejection of the bid, as may contradictions in model numbers or other designations of critical supply items.
  
- (e) Substantial Responsiveness: Major deviations to the commercial requirements and technical specifications are a basis for the rejection of bids. As a general rule, major deviations are those that, if accepted, would not fulfill the purposes for which the bid is requested, or would prevent a fair comparison with bids that are properly compliant with the bidding documents. Examples of major deviations include:
  - (i) Stipulating price adjustment when fixed price bids were called for
  
  - (ii) Failing to respond to specifications by offering instead a different design or product that does not offer substantial equivalence in critical performance parameters or in other requirements

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- (iii) Phasing of contract start-up, delivery, installation, or construction not conforming to required critical dates or progress markers
  - (iv) Subcontracting in a substantially different amount or manner than that permitted
  - (v) Refusing to bear important responsibilities and liabilities allocated in the bidding documents, such as performance guarantees and insurance coverage
  - (vi) Taking exception to critical provisions such as applicable law, taxes and duties, and dispute resolution procedures
  - (vii) Those deviations that are specified in the ITB as requiring rejection of the bid (such as, in the case of works, participating in the submission of another's bid other than as a subcontractor).

Bids that offer deviations may be considered substantially responsive—at least as to the issue of fairness—if the deviations can be assigned a monetary value that would be added as a penalty during the detailed evaluation process and if such deviations would be acceptable in the eventual contract.

The results of preliminary examination should be presented in Table 5. If the bid fails preliminary acceptance, the reasons must be clearly explained in footnotes or in an attachment, as necessary. An example is shown in Annex IV. Recipients may find it useful to include additional tables for itemization of responsiveness to a list of technical or commercial specifications. These should be attached to Table 5.

## 6. Detailed Examination of Bids

Only those bids surviving preliminary examination need to be examined in this phase.

- (a) Corrections for Errors: The methodology for correction of computational errors is described in the ITB. The read-out bid prices and their corrections should be noted in Table 6, column *d*. The corrections are considered binding on the bidder. Unusual or large corrections that could affect the

comparative ranking of bids should be explained in footnotes.

- (b) Corrections for Provisional Sums: Bids may contain provisional sums set by the Recipient for contingencies or for nominated subcontractors, etc. As these sums are the same for all bids, they should be subtracted from the read-out prices in Table 6, column *e* to allow for a proper comparison of bids in subsequent steps. However, those provisional sums set aside for Daywork,<sup>9</sup> where priced competitively, should not be included in the deductions.
- (c) Modifications and Discounts: In accordance with the ITB, bidders are allowed to submit, prior to bid opening, modifications to their original bid. The impact of modifications should be fully reflected in the examination and evaluation of the bids. These modifications may include either increases or discounts to the bid amounts that reflect last-minute business decisions. Accordingly, the original bid prices should be modified at this point in the evaluation. Discounts offered in accordance with the ITB that are conditional on the simultaneous award of other contracts or lots of the contract package (cross-discounts) shall not be incorporated until the completion of all other evaluation steps. The effect of unconditional discounts (or alternatively, increases) should be shown as in Table 6 (columns *g* and *h*). Any discount expressed in percent must be applied to the appropriate base specified in the bid (i.e., check to see if it applies to any provisional sums).
- (d) Evaluation Currency: The remaining bids as corrected for computational errors and as adjusted for discounts should be converted to a common evaluation currency, as described in the ITB. The exchange rates to be used in the calculations are to be listed in Table 7. If multiple exchange rates exist for a particular currency (for commercial, government transactions, etc.), indicate which applies, with reasons for the choice. Where exchange rates for a particular currency are not available from the specified authority or publication, identify the secondary source, as well as any necessary conversion calculations.

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<sup>9</sup> Refers to unforeseen work. For details, see SBDLW, Section B, or SBDSW, Section 7.

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There are two different currency options for bidding/payment, each requiring a different conversion methodology:

- (i) The SBDG and Option B of SBDLW use the multiple currency option, in which the bid price is expressed in a number of currencies. For this procurement, use Table 8.
  - (ii) The SBDSW and Option A of SBDLW use the single currency option, in which the bid price is expressed entirely in a specific currency, usually in the Recipient's currency, with other foreign currency requirements stated as percentages of the bid price, together with the exchange rates used by the bidder to determine the percentages. For SBDLW single currency bids, sections of the Works may require payment in different currencies and proportions. In such instances, the impact of any corrections found will require a lengthier analysis for each bid, based on the submitted Appendix to Bid. Table 9 is to be used for these calculations.
- (e) Additions: Omissions to the bid should be compensated for by adding the estimated costs for remedying the deficiency. Where items missing in some bids are present in others, an average of quoted prices could be used to compare competitors' bids. Alternatively, external sources, such as published price lists, freight tariff schedules, etc., may be appropriate. The cost determined should be expressed in the evaluation currency and shown in Table 10, column *c*.
- (f) Adjustments: The ITB specifies which, if any, performance or service factors will be taken into account in the bid evaluation (see, for example, para. 26 of SBDG). The methodology used in evaluation of these factors should be precisely described in the bid evaluation report and should be fully consistent with the ITB provisions. Bonuses or additional credits that reduce the evaluated bid price will not be given in the bid evaluation for features that exceed the requirements stated in the bidding documents, unless specifically provided for in the ITB.<sup>10</sup> The value of adjustments will be expressed in terms of cost, for all works and most goods contracts, and should be shown in Table 10,

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<sup>10</sup> Similarly, a bid offering a choice of different product models is evaluated on the basis of the lowest price offered by the bidder from among the models meeting the requirements of the bidding document.

column *d* and expressed in the evaluation currency.<sup>11</sup>

- (g) Priced Deviations: As discussed under para. 5(e), bids with minor deviations may be considered substantially responsive if their further consideration assigns a monetary cost or penalty to the bid for the purpose of bid comparison:
- (i) Requests for deviations that are expressed by the bidder in vague terms, such as “we would like an increase in the amount of mobilization advance” or “we wish to discuss changes in the completion schedule” should ordinarily be ignored in bid evaluation. However, a categorical statement by the bidders taking exception to a requirement in the bidding documents should be treated as a deviation.
  - (ii) If a bid requires a faster payment stream than specified in the bidding documents, the penalty is based on the prospective benefit to the bidder. This situation assumes use of a discounted cash flow using the prevailing commercial interest rates for the currencies of the bid, unless the ITB foresees the eventuality and specifies a rate.
  - (iii) If a bid provides for a delivery or completion that is beyond the date specified in the bidding documents but that is nonetheless technically acceptable to the Recipient, the time advantage given should be assessed a penalty specified in the ITB or, if one is not provided, based on the rate of liquidated damages specified in the bidding documents.

The deviations should be priced in the evaluation currency in Table 10, column *e*.

- 7. Determination of Award** In the comparison of bids for works and for most goods, the corrected and discounted bid prices, together with adjustments for omissions, deviations, and specified evaluation factors, have been noted in Table 10. The bidder with the lowest total is the lowest evaluated cost bidder at this stage, subject to:

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<sup>11</sup> CDB on occasion may on occasions allow the use of the Merit Point System for the purchase of goods but only where suitable justification has been provided. If so, the adjustments will be expressed in points. The details of bid evaluation using the point system shall be detailed in the tender document and acceptable to CDB.



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- Application of regional preference, if any is allowed;
  - Application of any discounts, contingent on the simultaneous award of multiple contracts or lots; and
  - Postqualification evaluation, or, if prequalification has occurred, confirmation of prequalification information.
- (a) Regional Preference: If regional preference is allowed in bid evaluation, the ITB will so state and provide detailed procedures to be used in determining the eligibility for preference and the amounts in accordance with Appendix 3 of the *Guidelines*.
- (b) Cross-Discounts: These are conditional discounts offered in the event that more than one contract or lot will be awarded to the same bidder. Bid evaluation in such cases can be quite complicated, particularly for goods contracts where regional preference may apply. The sizes of cross-discounts offered by each bidder may vary with the potential number of contracts awarded. The ITB may also limit the number or total value of awards to a bidder on the basis of its financial and technical capacity.<sup>12</sup> Thus, a bidder offering the lowest evaluated bid on a particular contract may be denied award because of such a restriction. The Recipient shall select the optimum combination of awards on the basis of least overall cost of the total contract package, consistent with the qualification criteria. (Refer to *Guidelines*, para. 2.4.) Presentations of the calculations should be made on an attachment to the report, which should include the bid evaluation(s) for the other contracts, if they have been evaluated separately.
- (c) Qualification: If prequalification was conducted, the bidder whose bid is the lowest evaluated should receive the award, unless the bidder's qualifications have since materially deteriorated or the bidder has since received additional work that overstresses its capacity. The Recipient should satisfy itself fully on both accounts.

Where prequalification has not occurred, the prospective awardee should be subjected to postqualification, the procedures for which are described in the ITB.

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<sup>12</sup> This restriction may originate with prequalification.

If the lowest evaluated bidder fails postqualification, its bid should be rejected, and the next ranked bidder should then be subject to postqualification examination. If successful, this bidder should receive the award. If not, the process continues. (Refer to *Guidelines*, para. 2.58.)

The rejection of a bid for reasons of qualification requires substantial justification, which should be clearly documented in attachments to the report. A history of poor performance may be considered a substantial justification.

- (d) Alternative Bids: The ITB may request or allow the Recipient to accept alternative bids under the stipulation that only the alternative submitted by the lowest evaluated bidder and conforming to the bidding documents will be considered.
  - (i) For works, the ITBs may allow alternative technical solutions and/or alternative times for completion.
  - (ii) For goods, the ITB may allow for submission of an alternative payment schedule. The same ITB may also require bidders to submit, in addition to any CIF or CIP bids, similar bids less transport or insurance, such as CFR.<sup>13</sup> The Recipient, if it is willing to accept the alternative bid offered by the lowest evaluated bidder, should provide justification for doing so.<sup>14</sup>

Calculations for the evaluation of alternatives should be provided in an attachment to the report.

- (e) Proposed Award: The amount of the proposed award shall be the bid price as submitted by the winning bidder and adjusted as described in the ITB for corrections, any discounts (including cross-discounts), and acceptance by the Recipient of alternative offers from the lowest evaluated bidder. Adjustments to the final price and scope of the contract to correct for acceptable omissions and quantity variations in the bid may be negotiated with the lowest

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<sup>13</sup> *INCOTERMS 2010*

<sup>14</sup> If the contract is signed without insurance coverage, the Recipient must provide CDB with evidence of alternative insurance payable in a freely usable currency to replace or repair such goods (*Guidelines*, para. 2.27, and any conditions of the Financing Agreement that apply).

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evaluated bidder.<sup>15</sup> Prior concurrence of CDB with the proposed award is required before such negotiations may be entered into (*Guidelines*, para. 2.63). Table 13 should be filled out to establish the actual amount of the contract award.

If (a) none of the bids are found to be responsive, (b) bids are unreasonably high in price compared with earlier estimates, or (c) none of the bidders are qualified, the Recipient may consider rejection of all bids (prior CDB concurrence is required) (*Guidelines*, paras. 2.61–2.63).

(f) Report Submission

(i) *Prior Review*: In accordance with the Financing Agreement, the Recipient must submit the completed bid evaluation report containing the required summary to CDB as soon as possible after bid opening, preferably no later than three (3) weeks prior to the expiration of the bid validity period. The report should include the appropriate items listed in Annex V.

Recipients are encouraged to request assistance as needed from CDB in explaining the evaluation procedures. However, CDB will not participate in the evaluation itself.

(ii) *Post Review*: For contracts not subject to prior review, the Recipient may award the contract upon completion of bid evaluation (*Guidelines*, Appendix 2, para. 4).

(g) Review by the CDB: Upon receipt by CDB, all contracts subject to prior review will be reviewed. Recipients may be requested to provide additional information and justification for the recommendations. CDB will not contact bidders. However, it may request the Recipient to do so for necessary clarifications. When CDB is satisfied with the evaluation of bids and recommendations of award, a “no-objection” written communication will be issued by the CDB official designated for such correspondence.

For contracts subject to post review, any doubts about the justification for award should be raised with CDB prior to award signing. Recipients should ensure that all correspondence received

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<sup>15</sup> Note that SBDG allows the Purchaser (Recipient) the right to unilaterally vary quantities within set limits at the time of award.

from bidders concerning evaluation has been taken into account. CDB does not finance contracts that have not been procured in accordance with the Financing Agreement.<sup>16</sup>

- (h) Award of Contract: Bid securities of unsuccessful bidders should be returned promptly after award has been made. However, if contract effectiveness is contingent on the receipt of a performance security or other condition, the Recipient may consider seeking an appropriate extension of time for the bid validity and the accompanying bid security of the next two lowest bidders.

As mentioned in the Preface, upon confirmation by the Recipient that the award has been made, CDB is authorized to publish a description of the contract, the name and nationality of the contract awardee, and the contract price. Any further information on the bids or on their evaluation, including the bid evaluation report, is held in confidence by CDB. Unsuccessful bidders are allowed under the *Guidelines* (Appendix 4, para. 15) to seek a debriefing with the Recipient, and, additionally, with CDB. In anticipation of this and/or any post reviews by CDB, the Recipient should ensure that bidding documents and evaluations are securely stored.

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<sup>16</sup> If funds have already been disbursed, CDB may seek reimbursement. Refer to *Guidelines* para. 1.13 and Appendix 4, para. 3.

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## Annex II. Bid Opening Checklist

(To be filled out for each bid as it is read out)

Contract Reference:

Bid Opening Date:

Time:

Name of Bidder:

- (a) Is outer envelope of bid sealed?
- (b) Is bid form completed and signed?
- (c) Expiration date of bid:
- (d) Is documentary authority for signing enclosed?
- (e) Amount of bid security (if required): (state currency)
- (f) Describe any "Substitution," "Withdrawal," or "Modification" submitted
- (g) Describe any alternative bid made:
- (h) Describe any discounts or modifications offered:
- (i) Additional comments:
- (j) Name of bidder or representative present:
- (k) Total bid price: (list currencies and amounts or percentages)<sup>17</sup>

Signature of responsible official:

Date:

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<sup>17</sup> If bid is for a package of contracts, the price for each lot or item should be read out.

## **Annex III. Eligibility for the Provision of Goods, Works, and Services in CDB-Financed Procurement**

Eligible countries are member countries of CDB, as listed below or subsequently revised and any other countries which are indicated as eligible in the Financing Agreement.

### **BORROWING MEMBERS**

1. Anguilla
2. Antigua and Barbuda
3. Bahamas
4. Barbados
5. Belize
6. British Virgin Islands
7. Cayman Islands
8. Dominica
9. Grenada
10. Guyana
11. Haiti
12. Jamaica
13. Montserrat
14. Saint Kitts and Nevis
15. Saint Lucia
16. Saint Vincent and the Grenadines
17. Suriname
18. Trinidad and Tobago
19. Turks and Caicos Islands

### **NON-BORROWING MEMBERS**

1. Canada
2. China
3. Colombia
4. Germany
5. Italy
6. Mexico
7. United Kingdom
8. Venezuela



## Annex IV. Preliminary Examination

Bidder	Verification	Eligibility	Bid Security	Completeness of Bid	Substantial Responsiveness
Bidder A	Yes	Yes <sup>1</sup>	Yes	Yes	Yes
Bidder B	No <sup>2</sup>	Yes	Yes	Yes	Yes <sup>3</sup>
Bidder C	Yes <sup>4</sup>	Yes	Yes	Yes	Yes
Bidder D	Yes	Yes	No <sup>5</sup>	No <sup>6</sup>	Yes
Bidder E	Yes	No <sup>7</sup>	No <sup>8</sup>	Yes	Yes
Bidder F	Yes	Yes	Yes	Yes	Yes
Bidder G	Yes	Yes	Yes	Yes	Yes
Bidder H	Yes	Yes	Yes	Yes	Yes <sup>9</sup>

<sup>1</sup> Bidder is partly owned (25 percent) by government (of Recipient). It operates under commercial law and is financially and managed by government.

<sup>2</sup> Joint venture agreement missing.

<sup>3</sup> Requires 25 percent mobilization advance; bid document states maximum of 15 percent. Deviation is minor and can be quantified.

<sup>4</sup> Bidder prequalified as local agent; bid is joint obligation with parent company. Bid deemed acceptable because increase in financial strength.

<sup>5</sup> Bid security not in freely convertible currency.

<sup>6</sup> Does not include cost for required disposal of hazardous wastes found at the site.

<sup>7</sup> Source of plant from non-eligible country.

<sup>8</sup> Required validity period of security not met (8 weeks instead of 12 weeks).

<sup>9</sup> Contains several initial changes substituting ISO standards in the specifications with DIN standards. This is acceptable to the Employer.



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## **Annex V. Bid Evaluation Summary Checklist**

1. Attach bid opening record, if not previously submitted (refer to footnote 1, Annex I).
2. Explain any inconsistencies between prices and modifications to prices read out at bid opening (and written into the record) and presented in Table 4.
3. Provide details on eliminating any bids during preliminary examination (Table 5). Copy select pages from bids, as desirable, to show examples of objectionable features.
4. If provisional sums in Table 6 vary among bidders, explain. Explain any substantial corrections for computational errors that may affect the ranking of bidders.
5. Provide a copy of the rates requested for Table 7 and used in Tables 8 or 9.
6. The additions, adjustments, and priced deviations in Table 10 require detailed explanations where they may affect the ranking of bidders.
7. Eligibility for regional preference as indicated in Tables 11 or 12 must be verified if the ranking of bids is affected. Provide details in an attachment. Exclusions to the calculations for preference should be explained if similarly significant.
8. Explain any cross-discount (para. 7(b)) not read out and recorded at bid opening. In addition, attach copies of any evaluation reports for the other related contracts awarded to the same bidder.
9. Provide detailed reasons for refusing to award a contract to a party other than the lowest evaluated bidder (para. 7(c)).
10. If an alternative bid is accepted, provide a detailed explanation of the reasons for its acceptance, addressing issues of timeliness, performance, and cost implications (para. 7(d)).
11. An attachment to Table 13 should explain adjustments to the price provided on line 10. Explain any changes to scope of bid and contract conditions.
12. Provide evidence of alternative insurance (see footnote 17, Annex I).
13. Attach copies of any correspondence from bidders that raise objections to the bidding and evaluation process, together with detailed responses.

14. Attach copies of any letters to bidders requesting clarifications. Provide copies of responses.
15. Submit bid evaluation with separate evaluation report from consultant, if one was commissioned.
16. Ensure that the bid evaluation report is double-checked, paginated, and complete, and includes a Letter of Transmittal. CDB will only review reports that are sent to it by the proper authorities.
17. Send by courier or by other swift means.