

## **SECTION III. EVALUATION AND QUALIFICATION CRITERIA**

- 1. Domestic Preference (ITB 40)**
- 2. Evaluation Criteria (ITB 41.3 (e))**
- 3. Multiple Contracts (ITB 41.6)**

## **1. Domestic Preference (ITB 40)**

1. If the Bidding Data Sheet (BDS) so specifies, the purchaser may grant a margin of preference to goods manufactured in the Purchaser's country for the purpose of bid comparison, in accordance with the procedure outlined in subsequent paragraphs:
2. Bids shall be classified in one of the following groups for comparison:
  - a. Group A: Bids offering goods manufactured in Bhutan; and
  - b. Group B: Bids offering goods manufactured outside Bhutan that have already been imported or that will be imported.
3. All evaluated bids in each group shall be compared to determine the lowest evaluated bid. Such lowest evaluated bids from each group shall be compared with each other and if: As a result of this comparison, a bid from Group A is the Lowest Evaluated Bid (LEB). This shall be selected for the award.
4. All evaluated bids in each group shall be compared to determine the lowest evaluated bid. Such lowest evaluated bids from each group shall be compared with each other and if,
  - a. As a result of this comparison, a bid from Group B is the LEB.
  - b. An amount of ten (10%) percent domestic preference shall be calculated on Group A's LEB price to be deducted on the LEB price (Group A).
  - c. After deducting 10% from the LEB price from Group A, this shall be compared with the LEB from Group B to determine the LEB for the award.

## **2. Evaluation Criteria (ITB 41.3 (e))**

The Purchaser's evaluation of a Bid may take into account, in addition to the Bid Price quoted in accordance with ITB Sub-Clause 18.6, one or more of the following factors as specified in ITB Sub-Clause 41.3(e) and in the BDS referring to ITB Sub-Clause 41.3(e), using the following criteria and methodologies.

(a) Deviation in Payment Schedule. *(insert one of the following)*

(i) *Bidders shall state their Bid price for the payment schedule outlined in the SCC. Bids shall be evaluated on the basis of this base price. Bidders are, however, permitted to state an alternative payment schedule and indicate the reduction in Bid Price they wish to offer for such alternative payment schedule. The Purchaser may consider the alternative payment schedule and the reduced Bid Price offered by the Bidder selected on the basis of the base price for the payment schedule outlined in the SCC.*

**or**

(ii) The SCC stipulates the payment schedules specified by the Purchaser. If a Bid deviates from the schedule and if such deviation is considered acceptable to the Purchaser,

the Bid will be evaluated by calculating interest earned for any earlier payments involved in the terms outlined in the Bid as compared with those stipulated in the SCC, at the rate per annum specified in BDS Sub-Clause 41.3 (e).

(b) Cost of major replacement components, mandatory spare parts, and service. *(insert one of the following)*

(i) *The list of items and quantities of major assemblies, components and selected spare parts likely to be required during the initial period of operation specified in BDS SubClause ITB 23.3 is in the List of Goods. An adjustment equal to the total cost of these items, at the unit prices quoted in each Bid, shall be added to the Bid Price, for evaluation purposes only.*

**or**

(ii) *The Purchaser will draw up a list of high-usage and high-value items of components and spare parts, along with estimated quantities of usage in the initial period of operation specified in BDS Sub-Clause ITB 23.3. The total cost of these items and quantities will be computed from spare parts unit prices submitted by the Bidder and added to the Bid Price, for evaluation purposes only.*

- (c) Availability in Bhutan of spare parts and after sales services for equipment offered in the Bid.  
An adjustment equal to the cost to the Purchaser of establishing the minimum service facilities and parts inventories, as outlined in BDS Sub-Clause ITB 41.3 (e), if quoted separately, shall be added to the Bid Price, for evaluation purposes only.

- (d) Projected operating and maintenance costs.

Operating and maintenance costs. An adjustment to take into account the operating and maintenance costs of the Goods will be added to the Bid Price, for evaluation purposes only, if specified in BDS Sub-Clause ITB 41.3 (e). The adjustment will be evaluated in accordance with the methodology specified in the BDS Sub-Clause ITB 41.3 (e).

- (e) Performance and productivity of the equipment. (insert one of the following)

(i) Performance and productivity of the equipment. An adjustment representing the capitalized cost of additional operating costs over the life of the plant will be added to the Bid Price, for evaluation purposes, if specified in BDS Sub-Clause ITB 41.3(e). The adjustment will be evaluated based on the drop in the guaranteed performance or efficiency offered in the Bid below the norm of 100, using the methodology specified in BDS Sub-Clause ITB 41.3 (e).

**or**

(ii) An adjustment to take into account the productivity of the Goods offered in the Bid will be added to the Bid Price, for evaluation purposes only, if specified in BDS Sub- Clause ITB 41.3 (e). The adjustment will be evaluated based on the cost per unit of the actual productivity of the Goods offered in the Bid with respect to minimum required values, using the methodology specified in BDS Sub-Clause ITB 41.3 (e).

- (f) Specific additional criteria

*Other specific additional criteria to be considered in the evaluation, and the evaluation method, shall be detailed in BDS Sub-Clause ITB 41.3 (e)]*

### **3. Multiple Contracts (ITB 41.6)**

The Purchaser shall award multiple contracts to the Bidder that offers the lowest evaluated combination of Bids (one contract per Bid).

The Purchaser shall:

- (a) evaluate only lots or contracts that include at least the percentages of items per lot and quantity per item as specified in ITB Sub-Clause 18.7.
- (b) take into account:
- (i) the lowest-evaluated Bid for each lot; and
  - (ii) the price reduction per lot and the methodology for its application as offered by the Bidder in its Bid.

