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PUBLIC PROCUREMENT GUIDELINES

FOREWORD

To effectively manage any transformation, guidelines are necessary for the direction of all stakeholders that includes the Authority, procuring entities, bidders, suppliers, contractors and enforcement agencies. This Procurement Manual serves primarily as a guide outlining the procurement procedures under the Public Procurement and Disposal of Public Assets (PPDPA) Act [Chapter 22:23] read together with the PPDPA (General) Regulations, Statutory Instrument 5 of 2018 and all other Regulations that shall be developed by the Vice President to facilitate the efficient flow of daily work and effective oversight by the Authority. The manual is a collation of written rules, regulations and established practice in public procurement. It provides the essential information and brief step-by-step procedures for procurement of goods, works and services.

The Procurement Regulatory Authority of Zimbabwe (PRAZ) has endorsed the first version of the Procurement Manual in January 2019 as a working document. Application and interpretations of this manual is the responsibility of all State-Owned Enterprises Accounting Officers and their Procurement Officers as defined by Section 70 of the PPDPA Act [Chapter 22:23].

The manual is intended to guide the procurement sector employees directly involved in the procurement activities. It also intends to help in understanding the procurement process and to achieve uniformity in procurement processes. The guidelines provide procedural guidance on interpreting and applying the Act and Regulations. They are designed to be simple to use and understand, by breaking the overall procurement procedures down into a series of sequential processes and by showing diagrammatically the process flow and decision points within each procedure. The content covers all the main areas of public procurement system.

The PPDPA Act [Chapter 22:23] was operationalized by Statutory Instruments 152 of 2017 on 1st of January 2018. All public processes from that effective date are now conducted in line with the new legal instruments.

PRAZ is in terms of Section 6 (c) of the PPDPA Act [Chapter 22:23] mandated to issue technical guidelines and instructions regarding the interpretation and implementation of the Act. This therefore is one such instrument in line with that provision.

All procurement officers and interested and affected stakeholders are encouraged to familiarise with the provisions of the Act and Regulations. This manual therefore assists in directing public sector officials to understand the new order in public procurement.

The manual shall assist procuring entities to ensure that the objectives of the PPDPA Act [Chapter 22:23] provided in Section 4, the Vision of His Excellency President, Cde Emmerson Dambudzo Mnangagwa for an upper middle class economy by 2030 and the Transitional Stabilisation Program (2018-2023) are achieved through efficient and effective use of public resources in the acquisition of goods, works and services necessary for effective public service delivery.

Together we can make a great nation.



N. Chizu

Chief Executive Officer

PROCUREMENT REGULATORY AUTHORITY OF ZIMBABWE

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ACRONYMS

FBS	Fixed budget selection
LCS	Least cost selection
PE	Procuring Entity
PE	Procurement Management Unit
PRAZ	Procurement Regulatory Authority of Zimbabwe
QBS	Quality based selection
QCBS	Quality and cost based selection
RFP	Request for proposals
RFQ	Request for quotations
SCSO	Selection amongst community service organisations
USD	United States dollars

MODULE 1: INTRODUCTION

PURPOSE AND USE OF THESE GUIDELINES:

Public procurement in Zimbabwe is governed by the provisions of the:

- Public Procurement and Disposal of Public Assets Act (the Act); and
- Public Procurement and Disposal of Public Assets Regulations (the Regulations).

These Guidelines provide procedural guidance on interpreting and applying the Act and Regulations. They are designed to be simple to use and understand, by breaking the overall procurement process down into a series of sequential procedures and by showing the process flow and decision points within each procedure.

These Guidelines must be read in conjunction with the Act and Regulations and relevant references are provided throughout; in the event of any discrepancy, the Act and Regulations prevail.

These Guidelines should also be used in conjunction with the standard bidding documents and other templates or instructions issued by the Authority.

For definitions of procurement terminology, please refer to Section 2 of the Act and Section 2 of the Regulations.

ISSUE AND AMENDMENT OF THE GUIDELINES:

These Guidelines are issued by the Procurement Regulatory Authority of Zimbabwe (the Authority or PRAZ) in accordance with Sections 6 and 7 of the Act. The Guidelines will be updated by the Authority, as and when required, and any changes will be published and communicated to all relevant stakeholders.

SCOPE AND COVERAGE

The Act applies to the procurement of goods, construction works and services by procuring entities and to all stages of procurement. A definition of which bodies are considered procuring entities is provided in section 2 of the Act, along with definitions of the different types of procurement i.e. goods, construction works, consultancy and non-consultancy services.

The Act contains certain exemptions, limitations and special provisions as follows:

- where the Act conflicts with an obligation arising from an international convention, treaty or agreement to which the Government of Zimbabwe is party, that agreement prevails, but the Act and Regulations still apply to the extent that they do not conflict;
- certain specialised financial services are excluded from the Act;
- public employment contracts are excluded from the Act;
- Zimbabwean diplomatic and consular missions outside Zimbabwe need only apply the general principles of the Act;
- construction works can be exempted from the Act by the President for reasons of defence, public security or national interests;
- the Authority may grant a procuring entity exemption from any provision of the Act for good reason;
- the Act only applies to procurement of or by joint ventures (as defined by the Joint Ventures Act) in a limited manner.

- **Refer to Sections 3 and 100 of the Act and Section 4 of the Regulations.**

Reflecting the application of the Act, this manual covers all stages of the procurement process for the procurement of goods, construction works, consultancy and non-consultancy services by procuring entities. It does not cover the exemptions, limitations or special provisions detailed above.

OBJECTIVES OF THE ACT

Section 4 of the Act sets out its objectives for public procurement. Public officers should have a clear understanding of these objectives, as they serve as guiding principles in procurement decision-making and in the interpretation and application of the Act.

The table below explains how the objectives of the Act are achieved in practical terms:

Table 1 - Objectives of the Act

Objectives of the Act	How this is Achieved
To ensure that procurement is effected in a manner that is transparent, fair, honest, cost-effective and competitive	<ul style="list-style-type: none">• Publication of procurement plans, pre-qualification, bidding and contract award notices• Public bid openings• Shared procurement and framework contracts for common use items
To promote competition among bidders	<ul style="list-style-type: none">• Use of competitive bidding (or request for proposals for consultancy services) as the preferred method of procurement• Use of pre-disclosed evaluation criteria• Bidders able to seek written information on unsuccessful bids
To provide for the fair and equitable treatment of all bidders, leading to procurement contracts that represent good value for money	<ul style="list-style-type: none">• Bidders permitted to participate regardless of nationality• Clear eligibility criteria and consistent application of evaluation criteria to all bidders
To promote the integrity of, and fairness and public confidence in, procurement processes	<ul style="list-style-type: none">• Challenge mechanism for bidders who believe a procuring entity has breached the rules• Monitoring and supervision of procurement by an independent regulatory authority
To secure the implementation of any environmental, social, economic and other policy that is authorised or required by any law to be taken into account by a procuring entity in procurement proceedings	<ul style="list-style-type: none">• Domestic preference to promote Zimbabwean suppliers and manufacturers, women controlled entities or technical solutions originating from a Zimbabwean institution• Evaluation may take into account factors such as environmental and social benefits, energy consumption or recycling costs• Possibility of using Selection amongst community service organisations for consultancy services

CODES OF CONDUCT

Procurement Officers must also be guided in their work by the standards of conduct set out in sections 70 and 71 of the Act and the Code of Conduct contained in the First Schedule to the Regulations. All procurement officers are required to sign a declaration agreeing to abide by the Code of Conduct before engaging in procurement.

Standards of conduct for bidders and contractors are contained in the standard bidding documents.

PROCUREMENT STRUCTURES

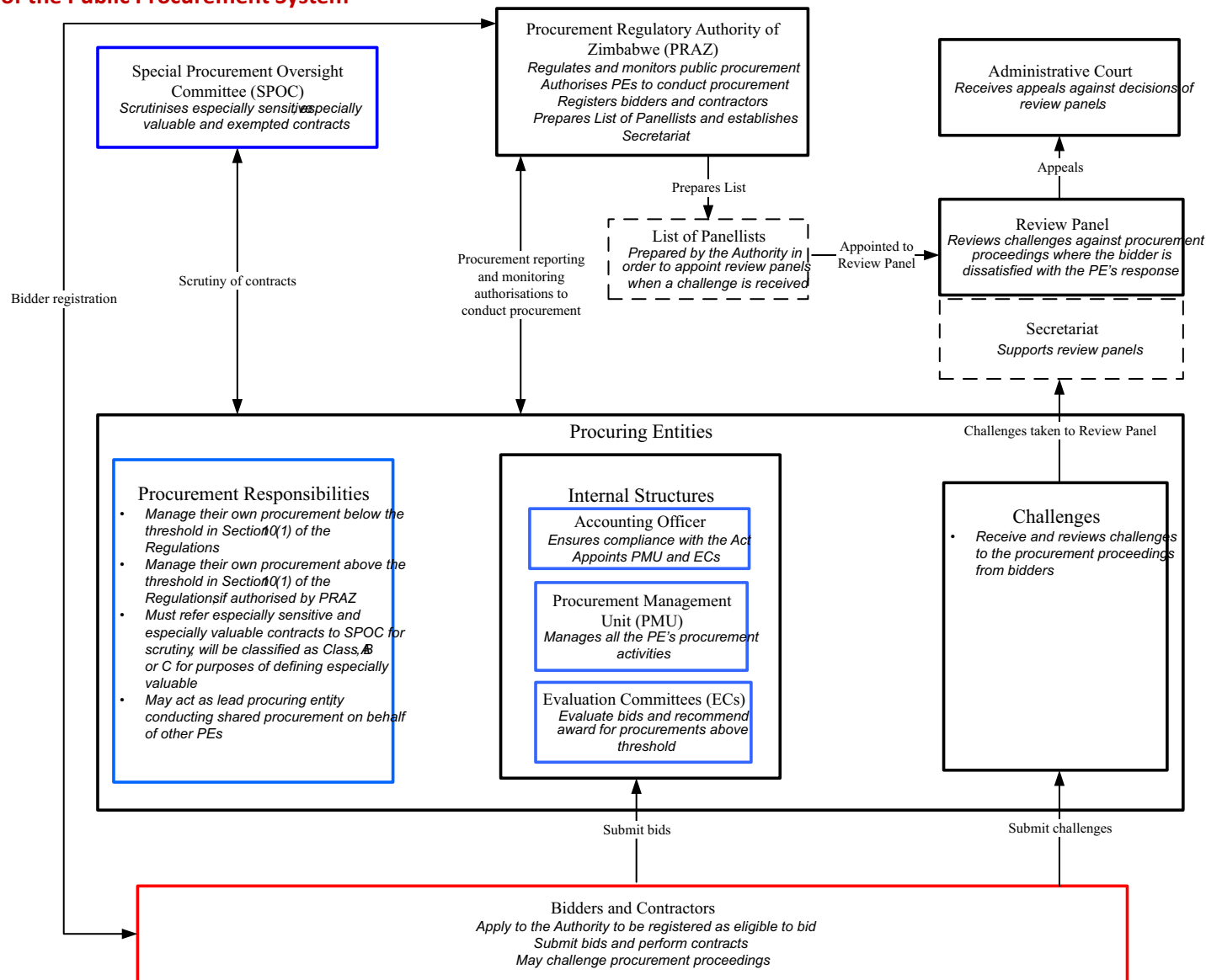
One of the key purposes of the Act was to introduce a new institutional framework for public procurement, through the establishment of the Procurement Regulatory Authority of Zimbabwe (the Authority or PRAZ) and the decentralisation (subject to authorisation) of responsibility for

procurement to procuring entities. The Act also established the Special Procurement Oversight Committee (SPOC) to scrutinise especially sensitive, especially valuable and exempted contracts.

The structure of public procurement under the Act is shown in the diagram below. The functions of each entity shown are summarised in italics. Entities responsible for procurement functions are shown in blue, bidders and contractors are shown in red and regulatory functions are shown in black. Regulatory functions include those bodies which form part of the independent review mechanism for hearing bidder challenges to procurement proceedings.

ZIMBABWE PUBLIC PROCUREMENT GUIDELINES
MODULE 1: INTRODUCTION

Figure 1 - Structure of the Public Procurement System



RESPONSIBILITY FOR PROCUREMENT

Responsibility for managing procurement is dependent on:

- the value of the procurement in relation to financial thresholds specified in section 10(1) of the Regulations;
- whether or not a procuring entity has been authorised by the Authority to manage its own procurement in accordance with section 15(2) and the Third Schedule of the Act; and
- whether procurement is subject to shared procurement arrangements, where procurement is conducted by a lead procuring entity on behalf of one or more others.

The table below summarises responsibility for procurement for different scenarios.

Table 2 – Responsibility for Procurement

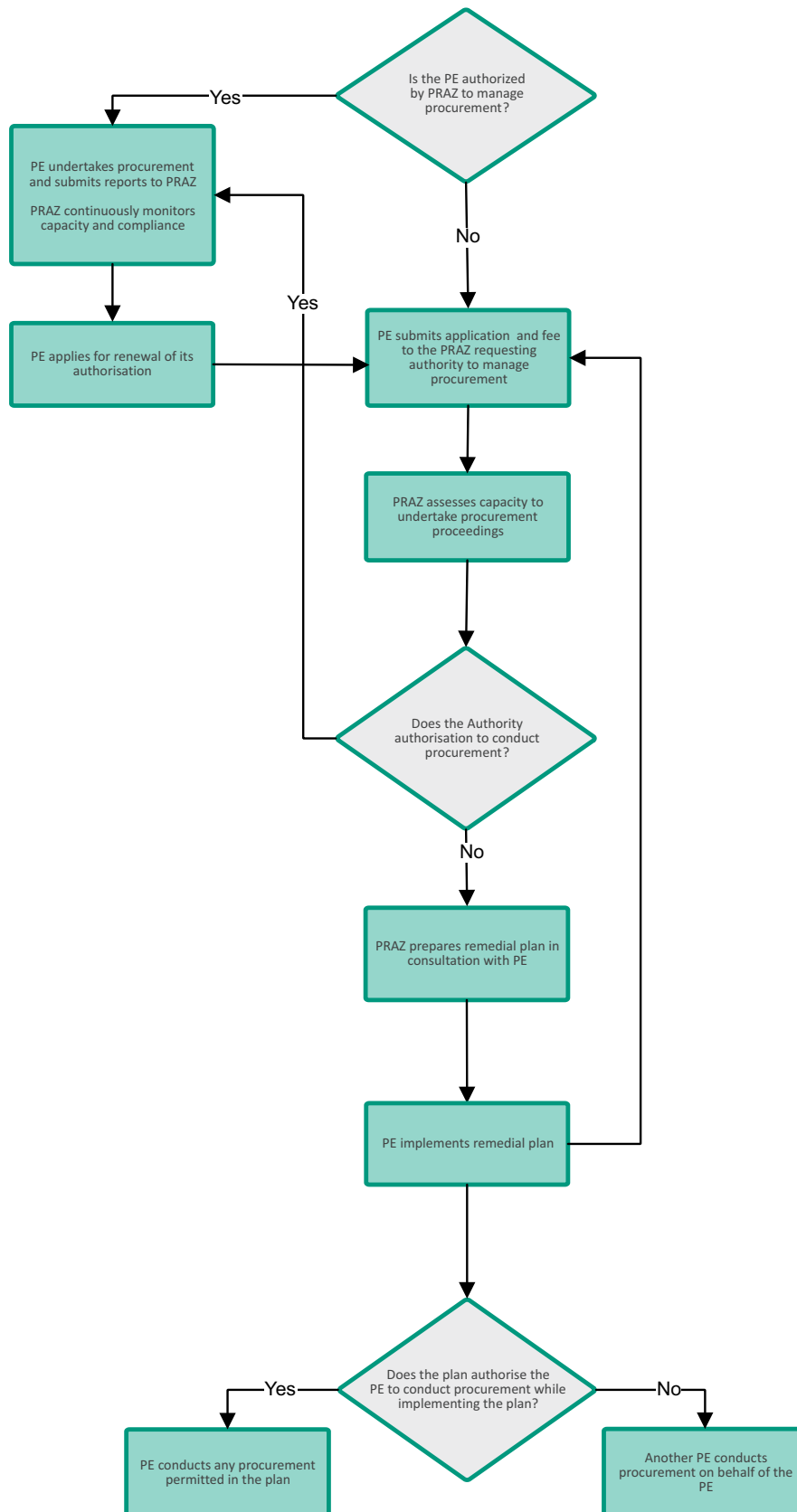
CIRCUMSTANCES	RESPONSIBILITY FOR PROCUREMENT	
Procurement is below the thresholds in section 10(1) of the Regulations: <ul style="list-style-type: none"> • USD 200,000 for construction works • USD 100,000 for goods • USD 50,000 for consultancy and non-consultancy services 	All procuring entities	
Procurement is above the thresholds in section 10(1) of the Regulations	If authorised by the Authority	Procuring entity itself
	If not authorised by the Authority	Another procuring entity appointed by the Authority
Shared Procurement regardless of value	Lead procuring entity, as designated by the Authority or agreed between procuring entities. <i>or</i> Framework agreement negotiated by the Authority for use by procuring entities	

Where a procuring entity has been authorised to manage its own procurement or is acting as a lead procuring entity, it will still need to submit especially sensitive and especially valuable contracts to SPOC for scrutiny.

APPLICATIONS FOR AUTHORISATION TO MANAGE PROCUREMENT

To obtain authorisation to manage its own procurement, procuring entities must submit an application to the Authority in accordance with section 15 and the Third Schedule of the Act. The application process is described in the flowchart 2 below, along with the various potential outcomes of the application process.

Figure 2 - Application for Authorisation to Manage Procurement



SCRUTINY BY THE SPECIAL PROCUREMENT OVERSIGHT COMMITTEE

The Special Procurement Oversight Committee (SPOC) is responsible for scrutinising especially sensitive, especially valuable and exempted contracts prior to their award. Thresholds for determining especially valuable contracts depend on the classification of the procuring entity by the Authority, which is based on a combination of procurement turnover and risk profile. The table below provides a summary of the classifications, as defined in section 10(5) of the Regulations.

Table 3 – Classifications of Procuring Entities for SPOC Scrutiny

	RISK PROFILE		
PROCURING ENTITY – ANNUAL PROCUREMENT TURNOVER	LOWER RISK	LOW RISK	HIGH RISK
Less than USD 500,000	Class B	Class C	Class C
Between USD 500,001 – USD 2,000,000	Class A	Class B	Class C
Greater than USD 2,000,000	Class A	Class A	Class B or C

Thresholds for review of especially valuable contracts for each class of entity are defined in Schedule 2 of the Regulations and summarised below:

Table 4 – Thresholds for SPOC Scrutiny

PROCURING ENTITY CLASS	CONSTRUCTION WORKS	GOODS	SERVICES (CONSULTANCY AND NON-CONSULTANCY)
A	USD 500,000	USD 250,000	USD 100,000
B	USD 250,000	USD 150,000	USD 75,000
C	USD 200,000	USD 100,000	USD 50,000

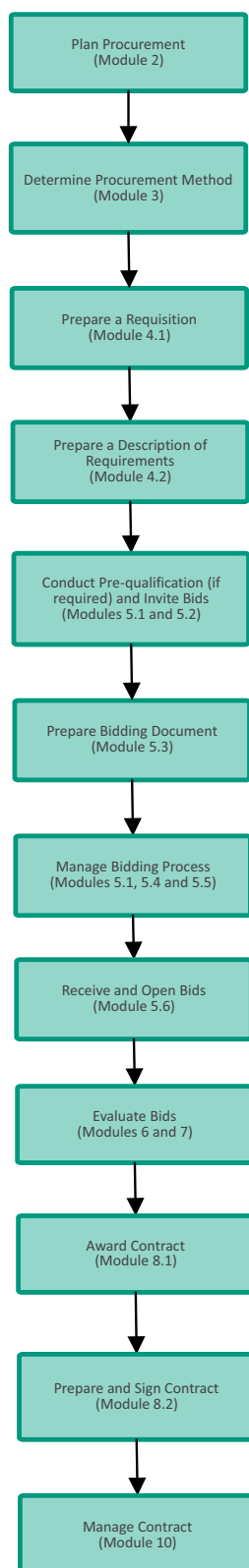
PROCUREMENT CYCLE

These guidelines cover the entire procurement cycle from procurement planning through to contract management with each of the key stages in separate modules and in sequential order. Within the guidelines, the appropriate modules should be followed, depending on:

- the type of procurement i.e. goods, construction works, non-consultancy or consultancy services;
- the method of procurement selected;
- the procurement options selected e.g. with or without pre-qualification, one or two stage bidding or use of frameworks.

The diagram below summarises the key stages of the procurement cycle and the relevant modules of the guidelines that cover these. More detailed flowcharts for each activity can then be found in the relevant module of the guidelines.

Figure 3 – Summary of the Procurement Cycle



MODULE 2: PROCUREMENT PLANNING

1. OBJECTIVES

The objectives of this procedure are to prepare:

- annual procurement plans in accordance with section 22 of the Act; and
- individual procurement plans, where required, in accordance with section 23 of the Act.

Procurement planning is required for all procurement, including goods, works, non-consultancy services, consultancy services and joint venture projects.

Refer to Part IV of the Act and Section 7 of the Regulations.

Procurement planning provides a mechanism to decide what the PE will buy, when and how within the allocated budget for the forthcoming financial year. The procurement planning process should be led by the Procurement Management Unit for each PE but will involve discussion with all relevant staff including the user departments, technical experts and those responsible for budgets. More specifically, procurement planning provides a mechanism for the PE to:



determine how requirements can be aggregated to obtain economies of scale and efficiency of procurement effort and which requirements are suitable for framework contracts;



identify procurement requirements which are or should be subject to shared procurement;



consider any need for a market survey or for external technical expertise to develop technical requirements;



estimate price of each package and verify budget availability;



consider the desirability of splitting any procurement requirement into lots;



determine the appropriate procurement method for each requirement, taking into account its estimated value, timescales for the procurement and other relevant circumstances;



consider where pre-qualification, two stage bidding or international publication may be required;



estimate timescales for the procurement cycle (including approvals) and contract implementation and assess how these align with the user's needs;



identify which procurement requirements require individual procurement plans.

Procurement plans must be updated regularly and particularly in the event of any significant changes.

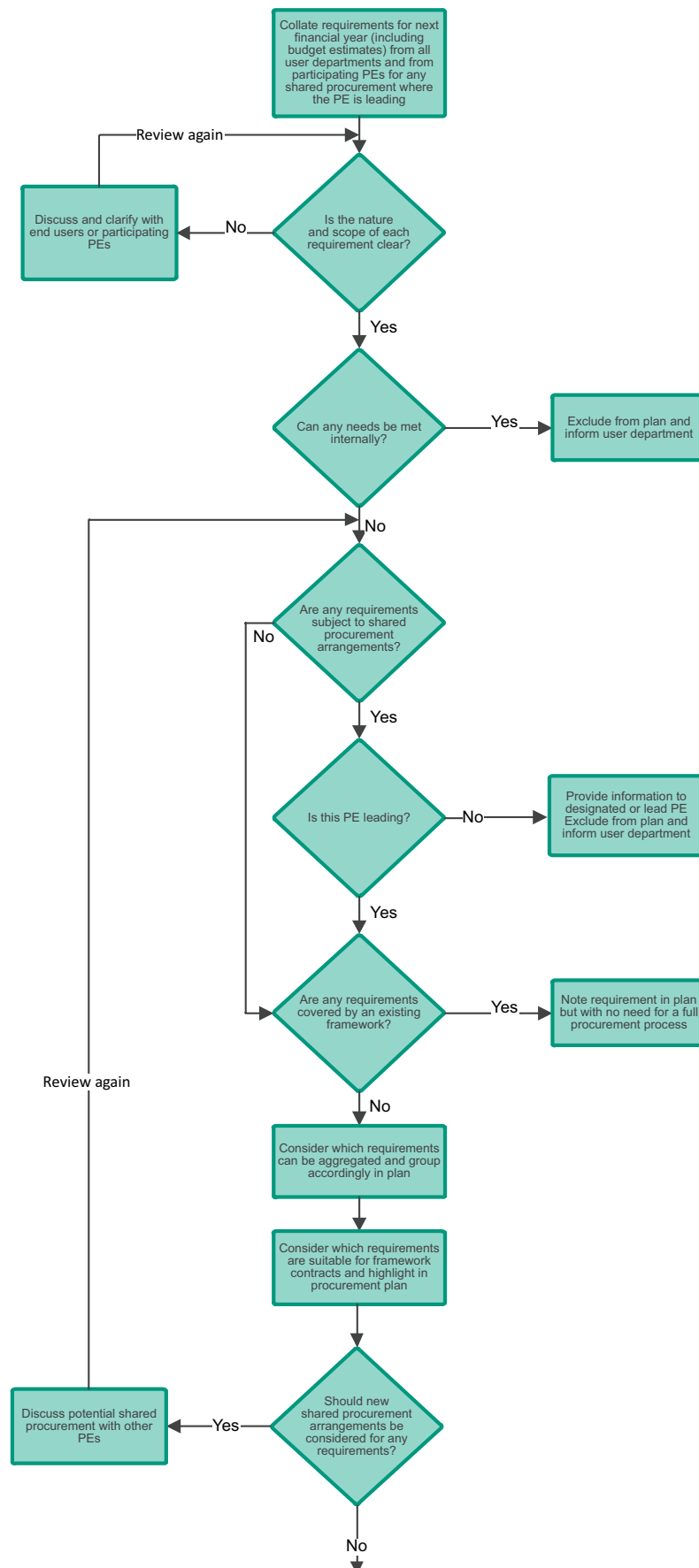
STEP-BY-STEP INSTRUCTIONS: PREPARING AN ANNUAL PROCUREMENT PLAN

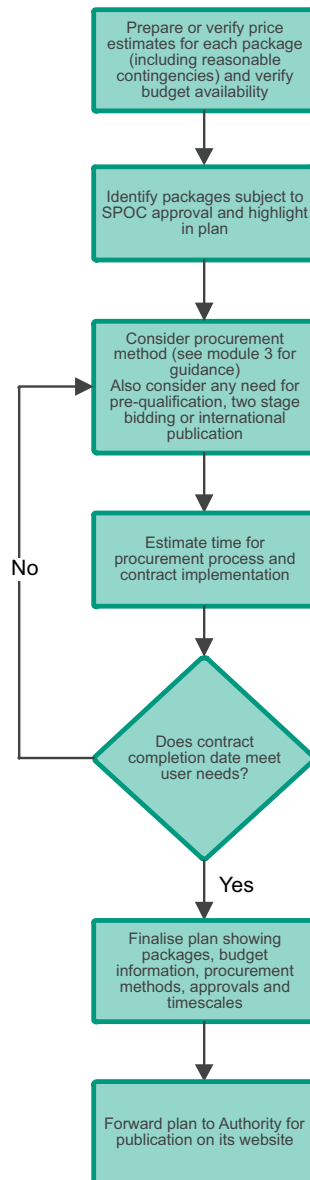
The process of preparing an annual procurement plan must commence before the end of the previous financial year to ensure that the plan is completed ready for the start of the financial year which it covers.

Where a PE is the lead or designated procuring entity for shared procurement, it must prepare a consultation document at least three months before the end of the previous financial years and use this to identify aggregated requirements for all participating PEs.

The following flowchart shows the process for preparing an annual procurement plan. PEs should refer to Section 7(1) of the Regulations for the prescribed contents of the procurement plan and must use the standard template prepared by the Authority.

Figure 4 – Annual Procurement planning





STEP-BY-STEP INSTRUCTIONS: PREPARING AN INDIVIDUAL PROCUREMENT PLAN

An individual procurement plan must be prepared for all requirements which are above:

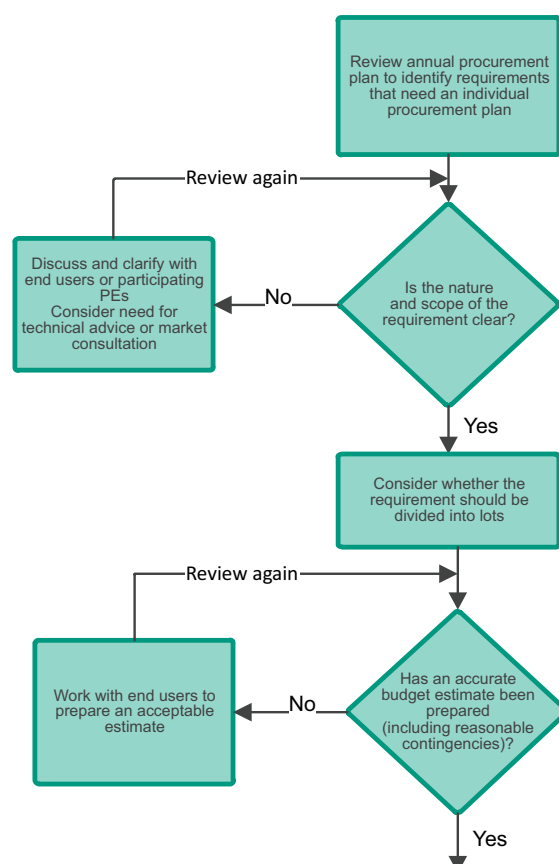
- US\$ 200,000 for works
- US\$ 100,000 for goods
- US\$ 50,000 for services

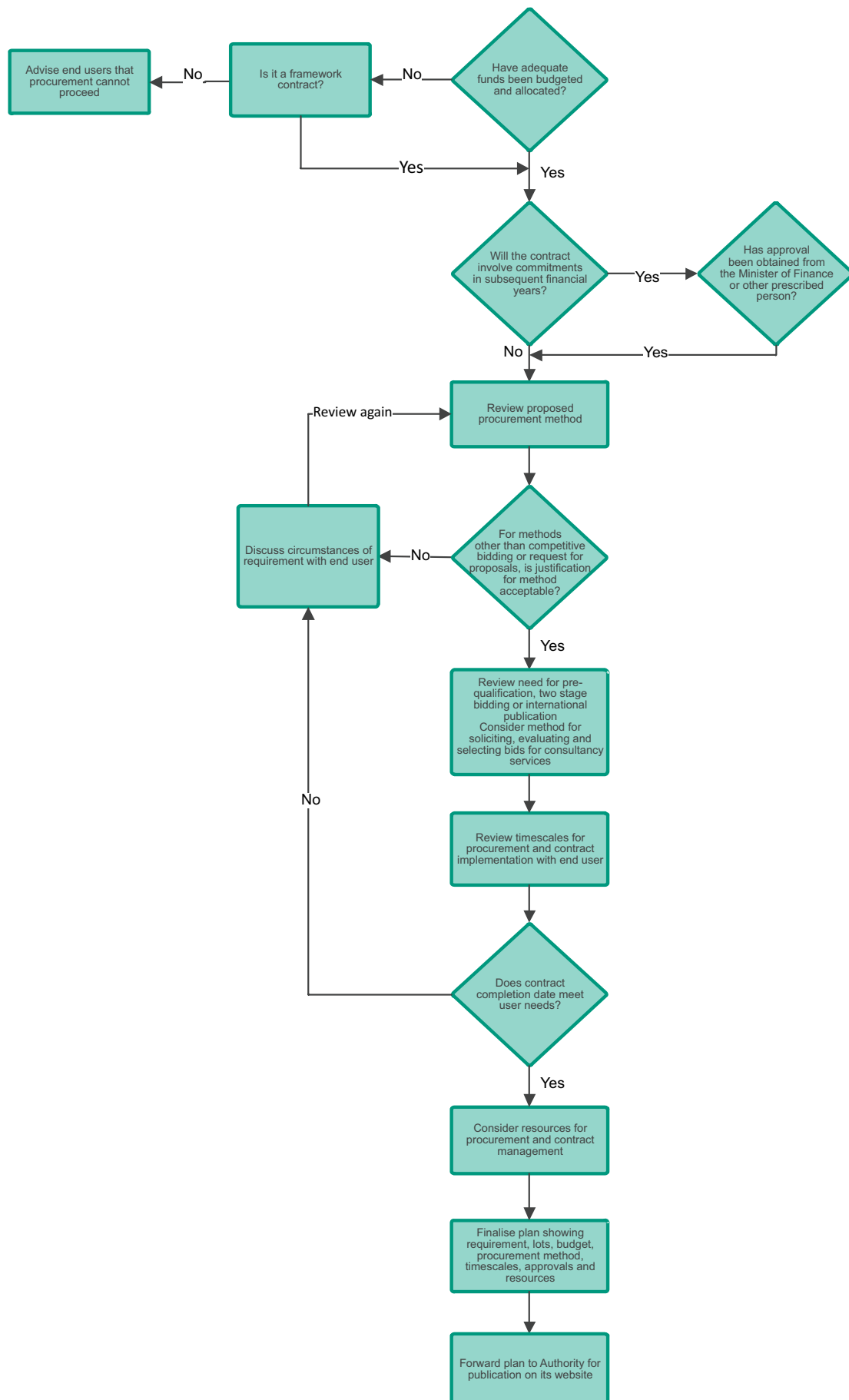
Where a procurement requirement is to be met through an existing framework contract, no individual procurement plan is required. Where a requirement is subject to shared procurement, the lead or designated PE must prepare the plan on behalf of all participating PEs.

The following flowchart shows the process for preparing an individual procurement plan. PEs should refer to Section 7(2) of the Regulations for the prescribed contents of the procurement plan and must use the standard template prepared by the Authority.

Note that much of the information required for an individual procurement plan should already be contained in the annual procurement plan. The individual procurement plan should review, update and expand on the information as required.

Figure 5 – Annual Procurement planning





MODULE 3. DETERMINATION OF PROCUREMENT METHOD

1. OBJECTIVE

The objective of this procedure is to select the most appropriate procurement method to be used for each procurement requirement in accordance with Section 30 of the Act. This includes methods for goods, works, non-consultancy services, consultancy services and joint venture projects.

Refer to Part VI, Part VIII and Section 100 of the Act.

STEP-BY-STEP INSTRUCTIONS: DETERMINING METHOD OF PROCUREMENT

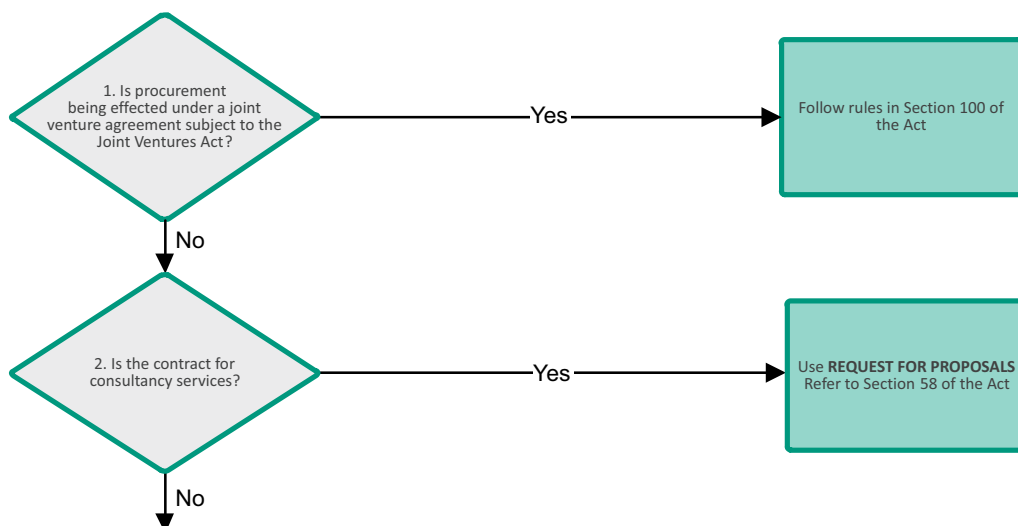
The following flowchart shows the decision process for selecting the appropriate method of procurement. Procuring entities should refer to Part VI of the Act for precise definition of conditions for use of each method. Note that justification is required for the use of any method other than:

- competitive bidding for goods, works or non-consultancy services;
- request for proposals for consultancy services.

This decision should be taken as part of the procurement planning process; see module 2 for further details. The decision should be reviewed prior to initiating procurement; see module 4 for further details.

Note that procurement methods should not be confused with the methods of soliciting, evaluating and selecting bids for consultancy services detailed in Section 59 of the Act; any of these methods of soliciting, evaluation and selecting bids can be used under the request for proposals method of procurement. Further information on this can be found in module 7.1.

Figure 6 - Selecting the method of procurement



ZIMBABWE PUBLIC PROCUREMENT GUIDELINES
MODULE 3: DETERMINATION OF PROCUREMENT METHOD

GUIDANCE

- extreme urgency means the requirement would not be obtained in time
- no responsive bids were received under a previous competitive bidding procedure

GUIDANCE

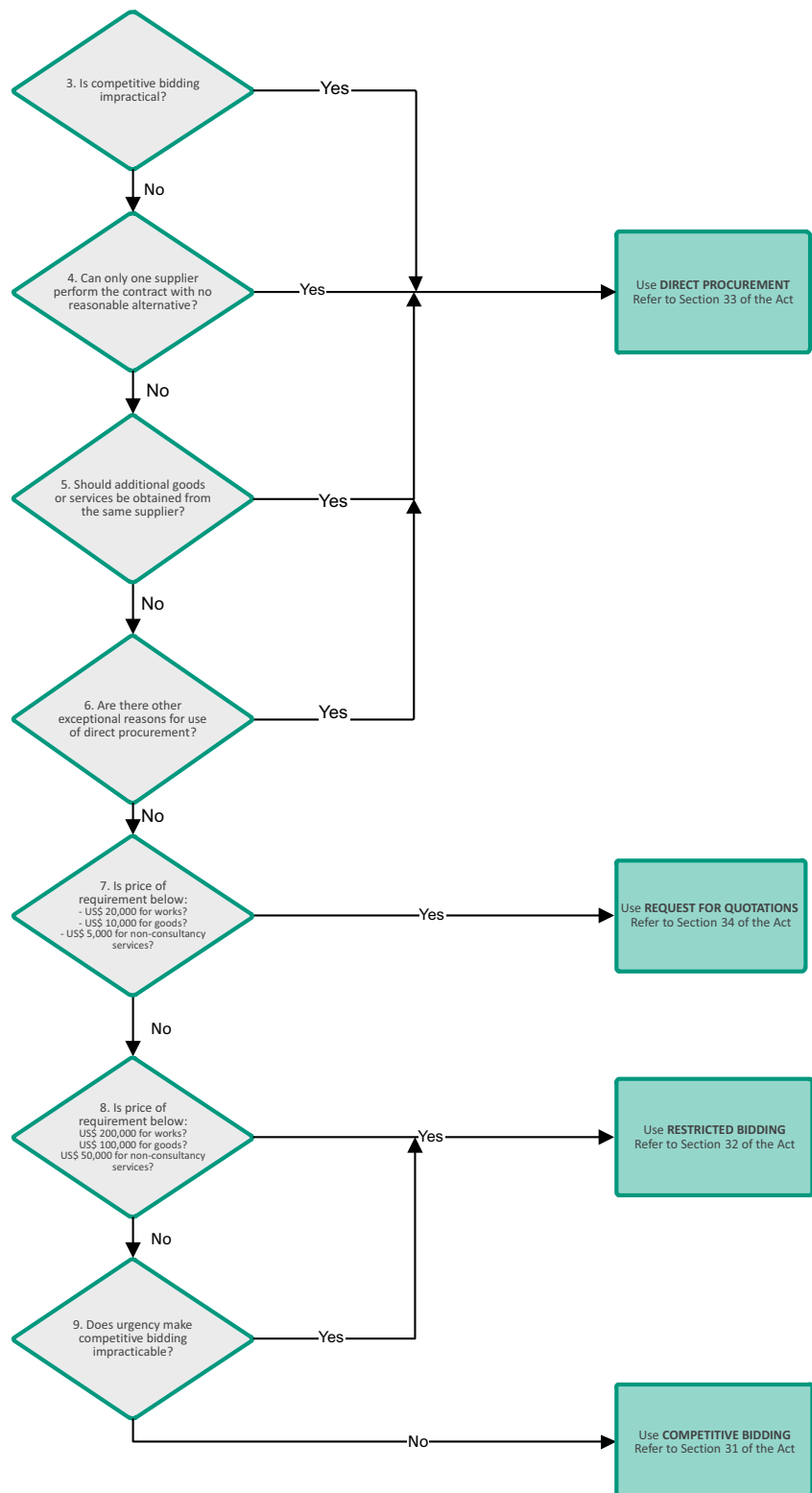
- For technical or artistic reasons
- where there are exclusive rights
- For proprietary spare parts

GUIDANCE

- A change of supplier would cause problems of inter-changeability, incompatibility, discontinuity
- A prototype is further developed for research, experiment or study
- Additional services within the objectives of the original contract have become necessary
- The original notice indicated repeat similar services might be obtained directly

GUIDANCE

- Acquisitions under exceptionally advantageous conditions
- Procurement of immovable property



MODULE 4. INITIATING PROCUREMENT

MODULE 4.1: PREPARING A REQUISITION

1. OBJECTIVE

This module sets out how to prepare a requisition in order to start the procurement process. The purpose of the requisition is to:

- document the goods, works or services required;
- confirm that the required funds (including funds for publication of any notices required) are budgeted and allocated; and
- document the approval to proceed with the procurement.

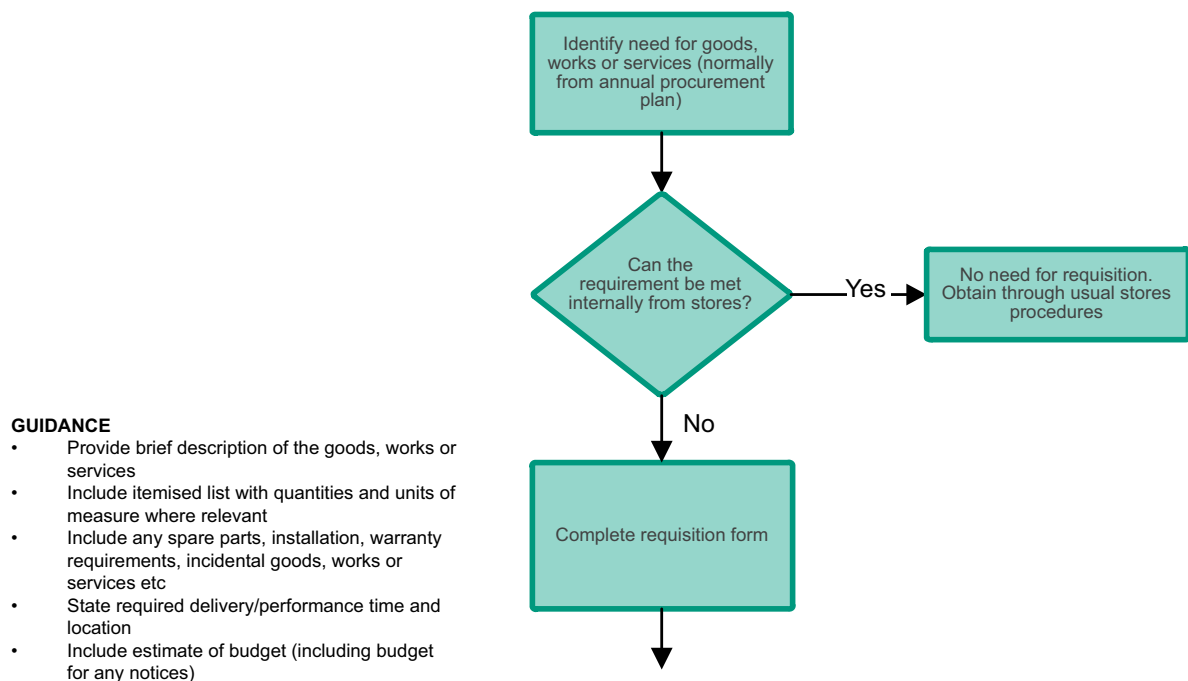
The user department is responsible for raising a requisition and obtaining all necessary approvals. It should then provide the approved requisition, supported by a description of requirements, to the PMU to commence procurement.

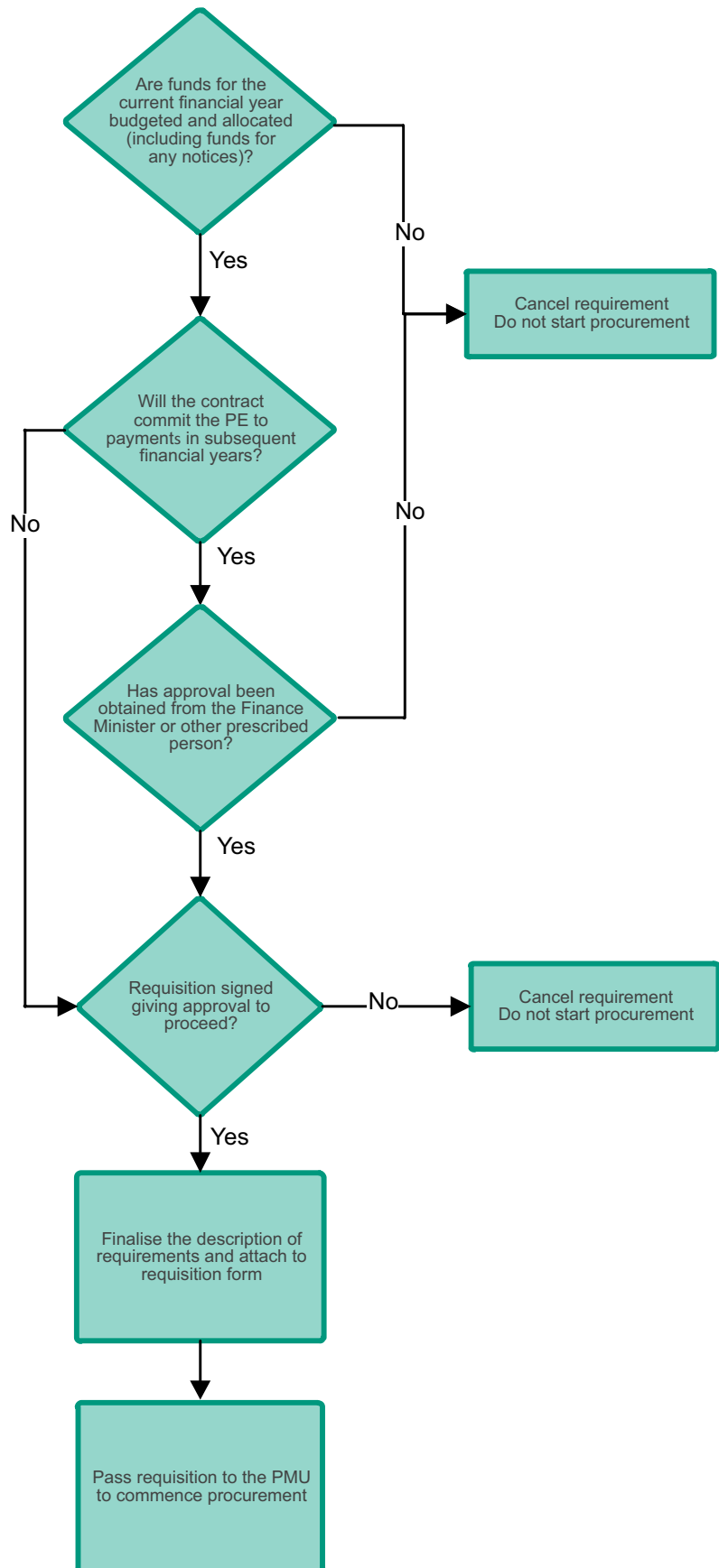
Refer to Section 20 of the Act.

STEP-BY-STEP INSTRUCTIONS: PREPARING A REQUISITION

The following flowchart shows the process for preparing a requisition.

Figure 7 - Preparing a Requisition










MODULE 4.2. PREPARING A DESCRIPTION OF REQUIREMENTS

OBJECTIVE

This module provides guidance on how to prepare a description of requirements suitable for use in a procurement process. To be suitable for use, it must be neutral and include appropriate performance or functional standards. The description of requirements is a key document used throughout the procurement process and management of the contract. It is used to:

-  define what the user department needs to purchase, providing the basis for procurement planning and budgeting;
-  inform bidders of the PE's requirements through inclusion in the bidding document;
-  provide the technical standard against which bids are evaluated;
-  form part of the contract, defining the requirements to be supplied; and
-  define the technical standard against which contract performance will be measured.

Refer to Section 27 of the Act and, for consultancy services, to Section 37 of the Regulations.

The description of requirements should be prepared by the user department and submitted to the PMU for procurement to commence. Independent technical advice may be used to assist in preparation of the description of requirements; a market consultation may also be used to help inform preparation of the description of requirements, provided this does not distort competition. For works, the description of requirements will normally need to be prepared by an engineer, architect or quantity surveyor with appropriate technical qualifications and experience.

The contents of the description of requirements will vary for goods, works and services. The following three flowcharts shows the process to be followed in preparing a description of requirements for each type of procurement.

STEP-BY-STEP INSTRUCTIONS: DESCRIPTION OF REQUIREMENTS FOR GOODS

Figure 8 - Preparing a Description of Requirements for Goods

GUIDANCE: SUMMARY DESCRIPTION

- State the function of the item(s) and the purpose for which they are required
- Include any relevant information about the operating environment

GUIDANCE: LIST OF REQUIREMENTS

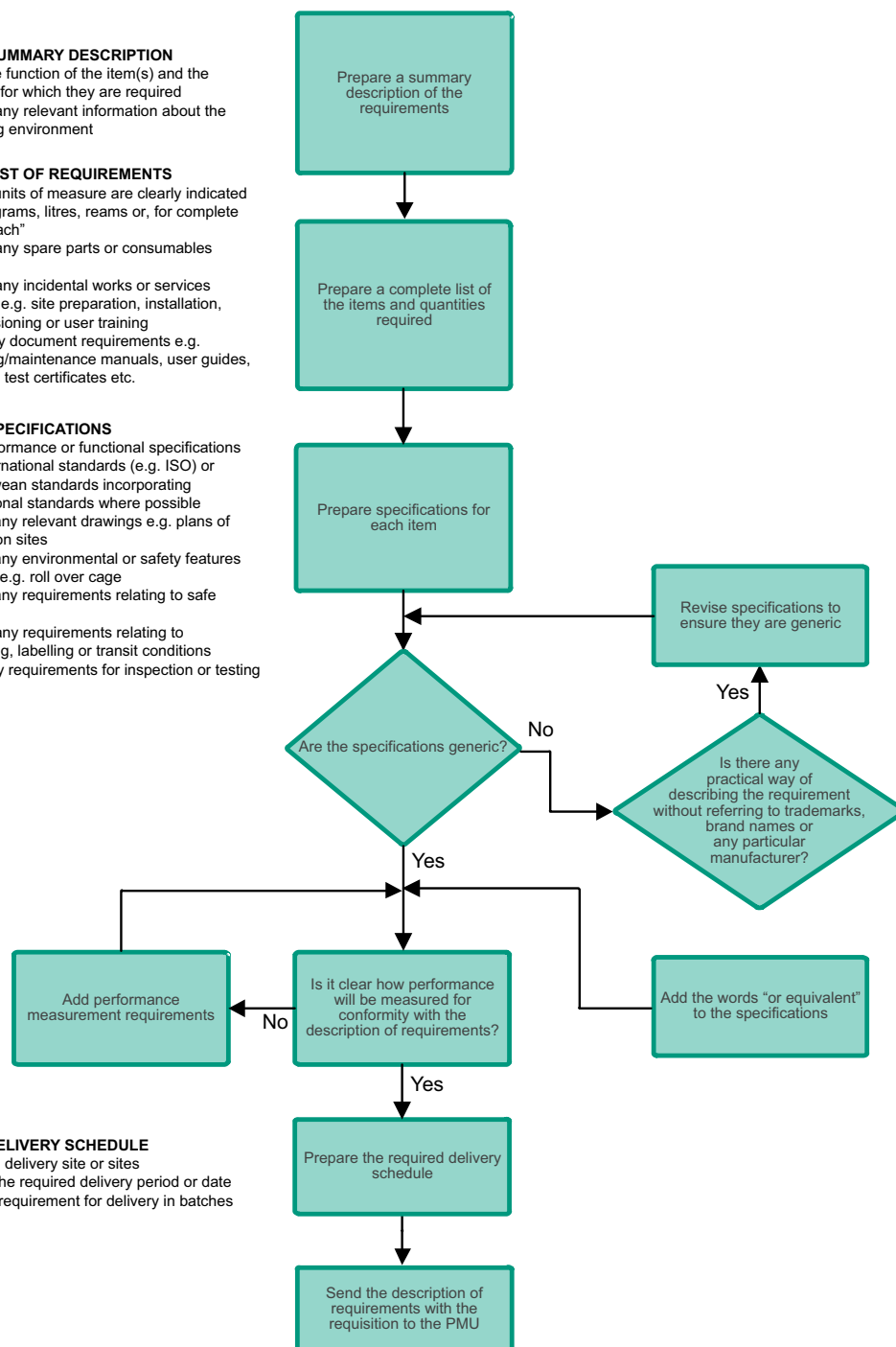
- Ensure units of measure are clearly indicated e.g. kilograms, litres, reams or, for complete units, "each"
- Include any spare parts or consumables required
- Include any incidental works or services required e.g. site preparation, installation, commissioning or user training
- State any document requirements e.g. operating/maintenance manuals, user guides, licences, test certificates etc.

GUIDANCE: SPECIFICATIONS

- Use performance or functional specifications
- Use international standards (e.g. ISO) or Zimbabwean standards incorporating international standards where possible
- Include any relevant drawings e.g. plans of installation sites
- Include any environmental or safety features required e.g. roll over cage
- Include any requirements relating to safe disposal
- Specify any requirements relating to packaging, labelling or transit conditions
- State any requirements for inspection or testing

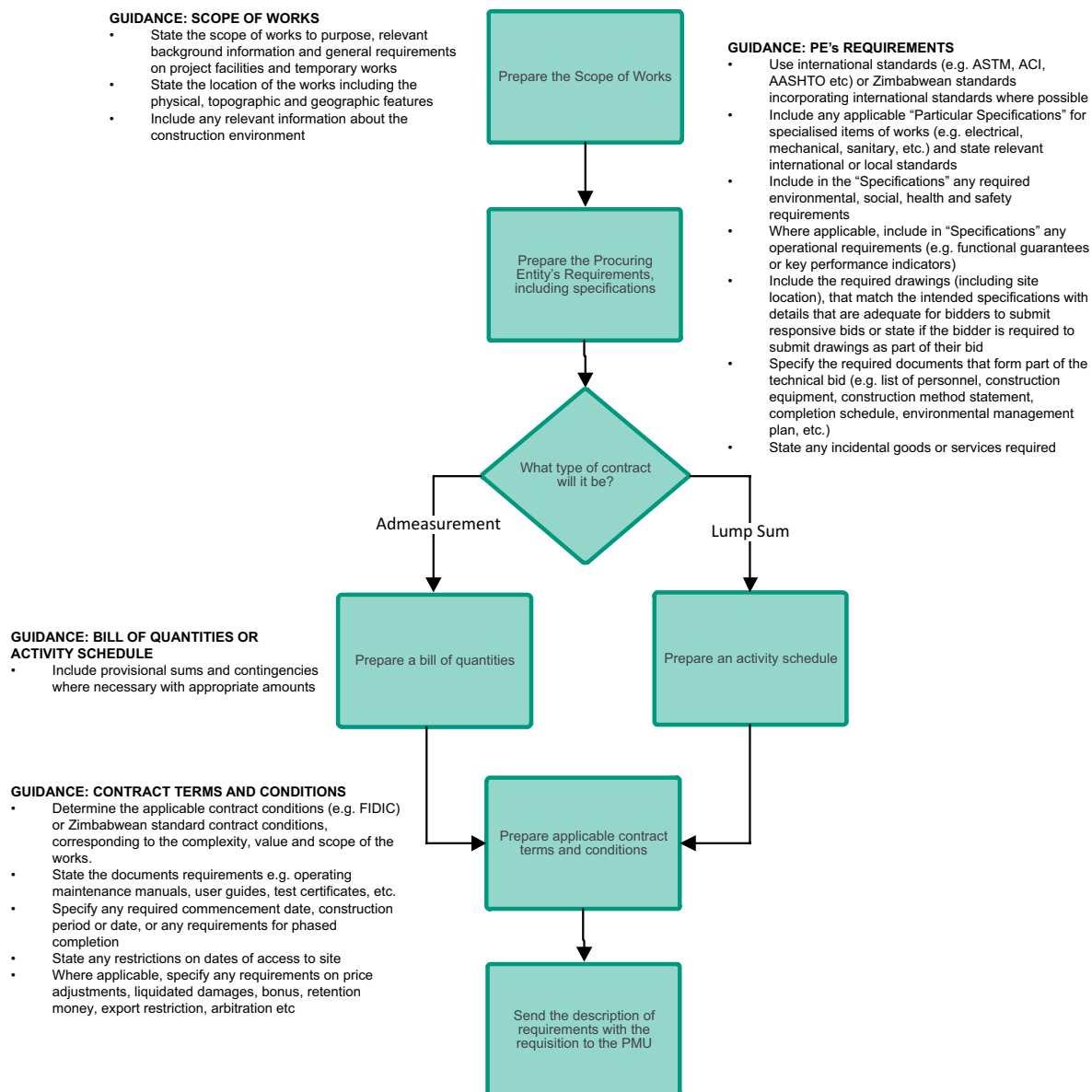
GUIDANCE: DELIVERY SCHEDULE

- State the delivery site or sites
- Specify the required delivery period or date and any requirement for delivery in batches



STEP-BY-STEP INSTRUCTIONS: DESCRIPTION OF REQUIREMENTS FOR WORKS

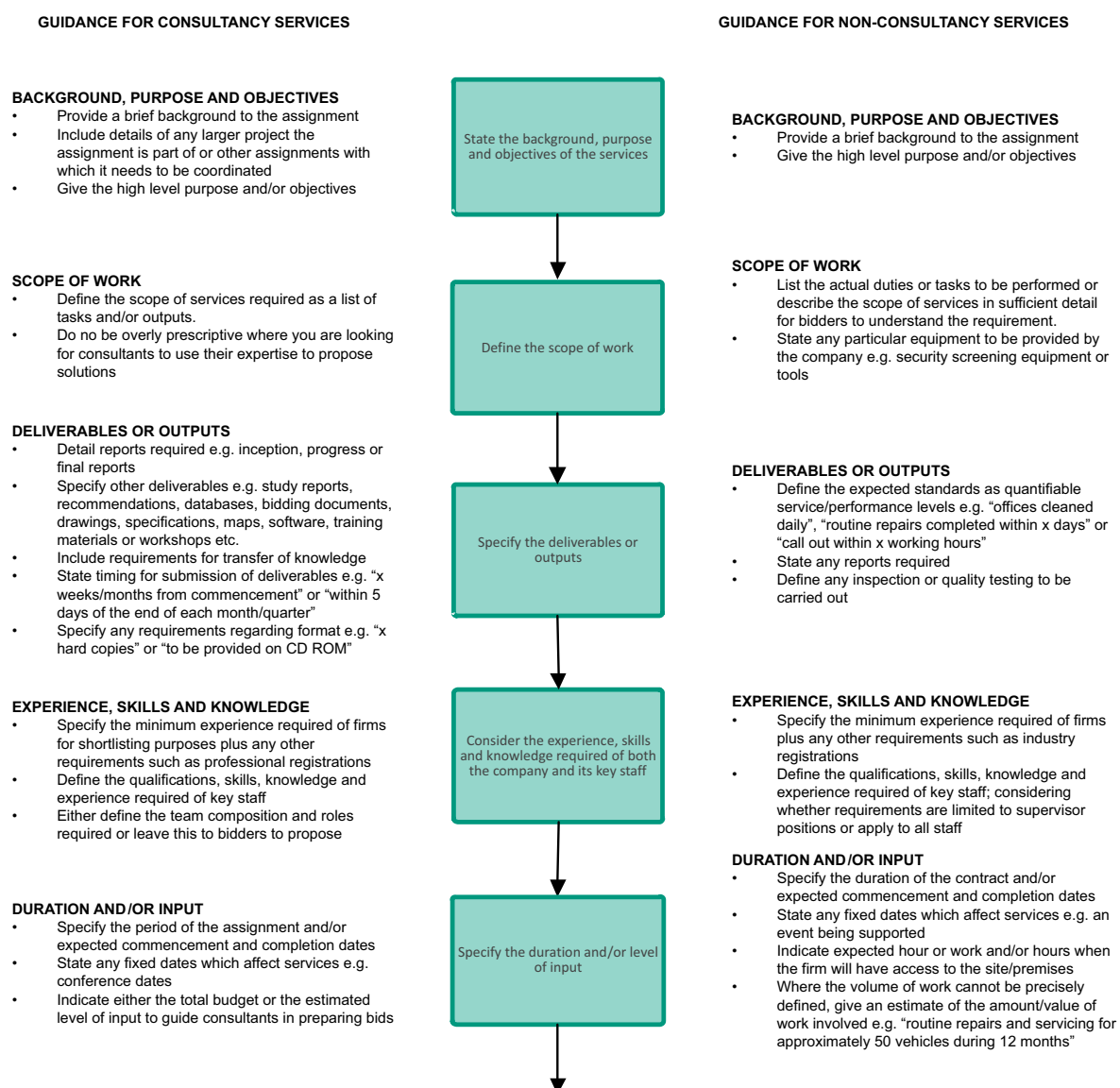
Figure 9 - Preparing a Description of Requirements for Works



STEP-BY-STEP INSTRUCTIONS: DESCRIPTION OF REQUIREMENTS FOR SERVICES

Figure 10 -Preparing a Description of Requirements for Services

The description of requirements for both consultancy and non-consultancy services will consist of Terms of Reference. While some of the contents will differ between consultancy or non-consultancy services, the basic structure of the Terms of Reference will be the same. Therefore, the flowchart below shows the process for preparing Terms of Reference with alternative guidance notes for consultancy and non-consultancy services.



ZIMBABWE PUBLIC PROCUREMENT GUIDELINES
MODULE 4: INITIATING PROCUREMENT

LOCATON

- State the location for performance of the assignment e.g. the PE's offices
- Indicate if any services can be provided remotely

Define the location for provision of services

LOCATON

- State the location for performance of the assignment e.g. the PE's offices or state if the firm is expected to house the services

SERVICES PROVIDED BY THE PROCURING ENTITY

- State any facilities, services or resources to be provided by the PE e.g. office space and facilities, workshop venues and facilities, vehicles, communications, documents or counterpart staff
- Check that any services included have been budgeted for

Specify any services or facilities to be provided by the PE

SERVICES PROVIDED BY THE PROCURING ENTITY

- State any facilities, services or resources to be provided by the PE e.g. storage rooms, toilets, access to power and water etc.
- Check that any services included have been budgeted for

MANAGEMENT AND REPORTING

- Specify arrangements for reporting including formal submission of reports and daily point of contact
- Explain any steering committee or similar to review deliverables
- State any alternative contact for administrative arrangements

Define management and reporting lines

MANAGEMENT AND REPORTING

- Specify arrangements for communications and reporting including authorisation of additional costs/services and a daily point of contact
- State any alternative contact for administrative arrangements

MODULE 5. BIDDING PROCEDURES

MODULE 5.1: INVITING, RECEIVING AND OPENING BIDS

1. OBJECTIVE

The objective of this procedure is to identify the most appropriate method for inviting, receiving and opening bids for each procurement requirement.

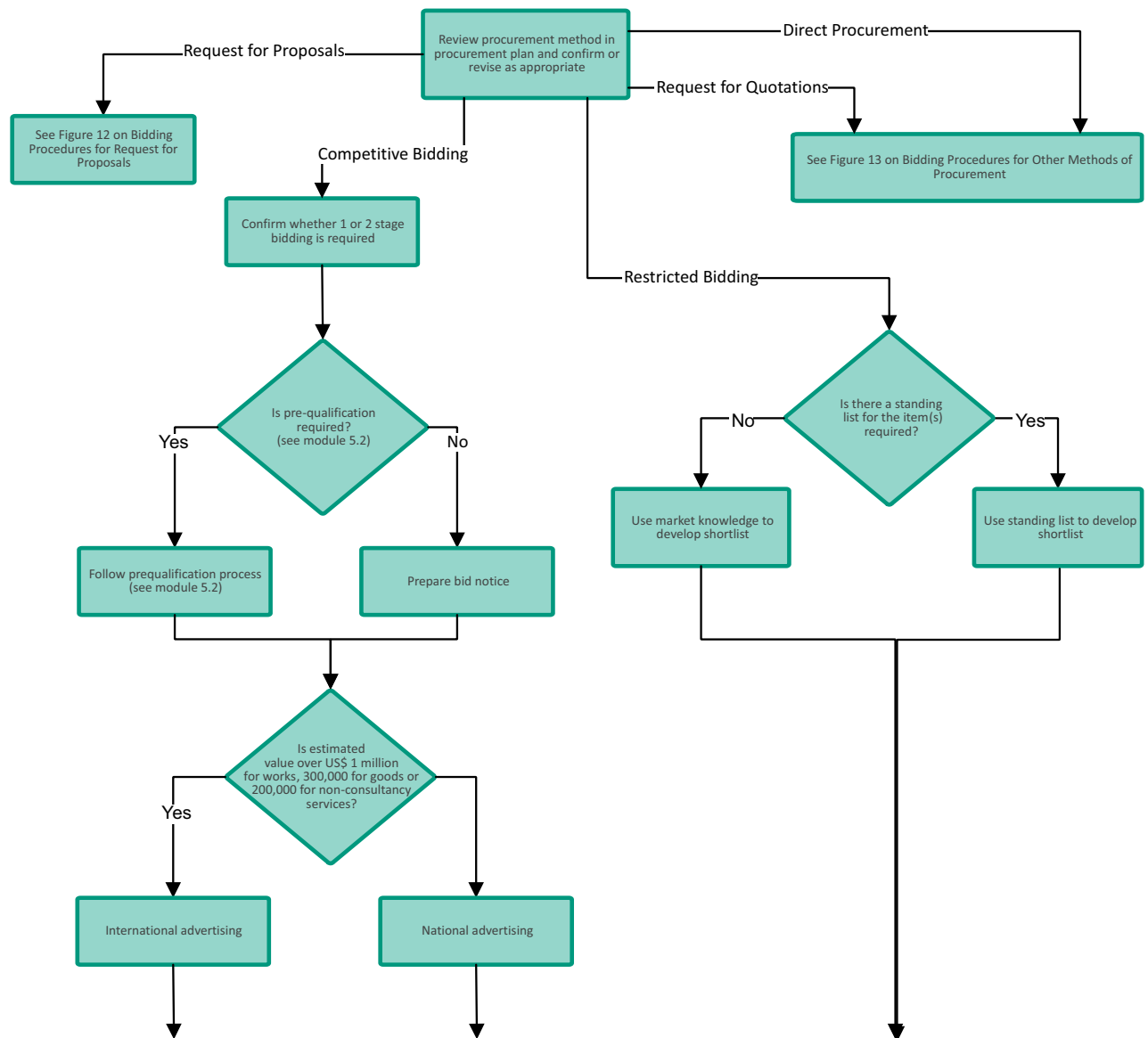
This is largely dictated by the selected procurement method, but the PE will need to consider various options and decisions on how to manage this bidding process.

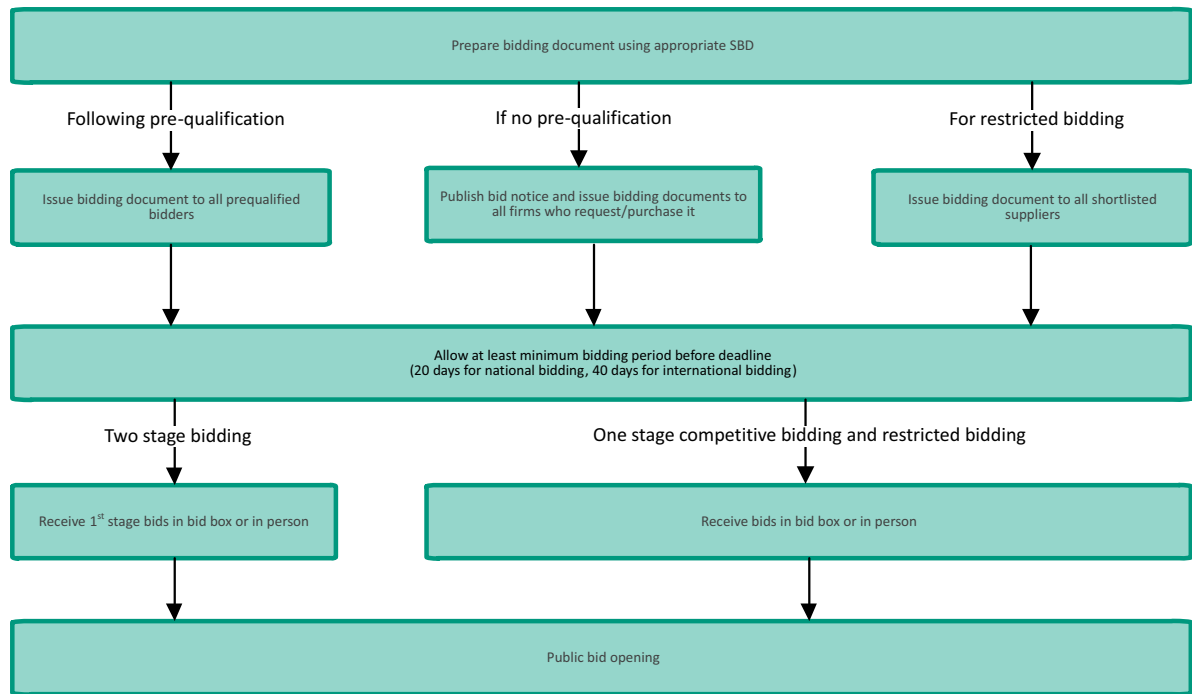
Refer to Parts VII and VIII of the Act and Parts III and IV of the Regulations.
--

The following sections and flowcharts summarise the bidding process for each procurement method, showing how bids should be invited, received and opened and what decisions need to be made for each process. Subsequent sections give further guidance on key decisions and procedures within the bidding process.

STEP-BY-STEP INSTRUCTIONS – BIDDING PROCEDURES FOR COMPETITIVE AND RESTRICTED BIDDING

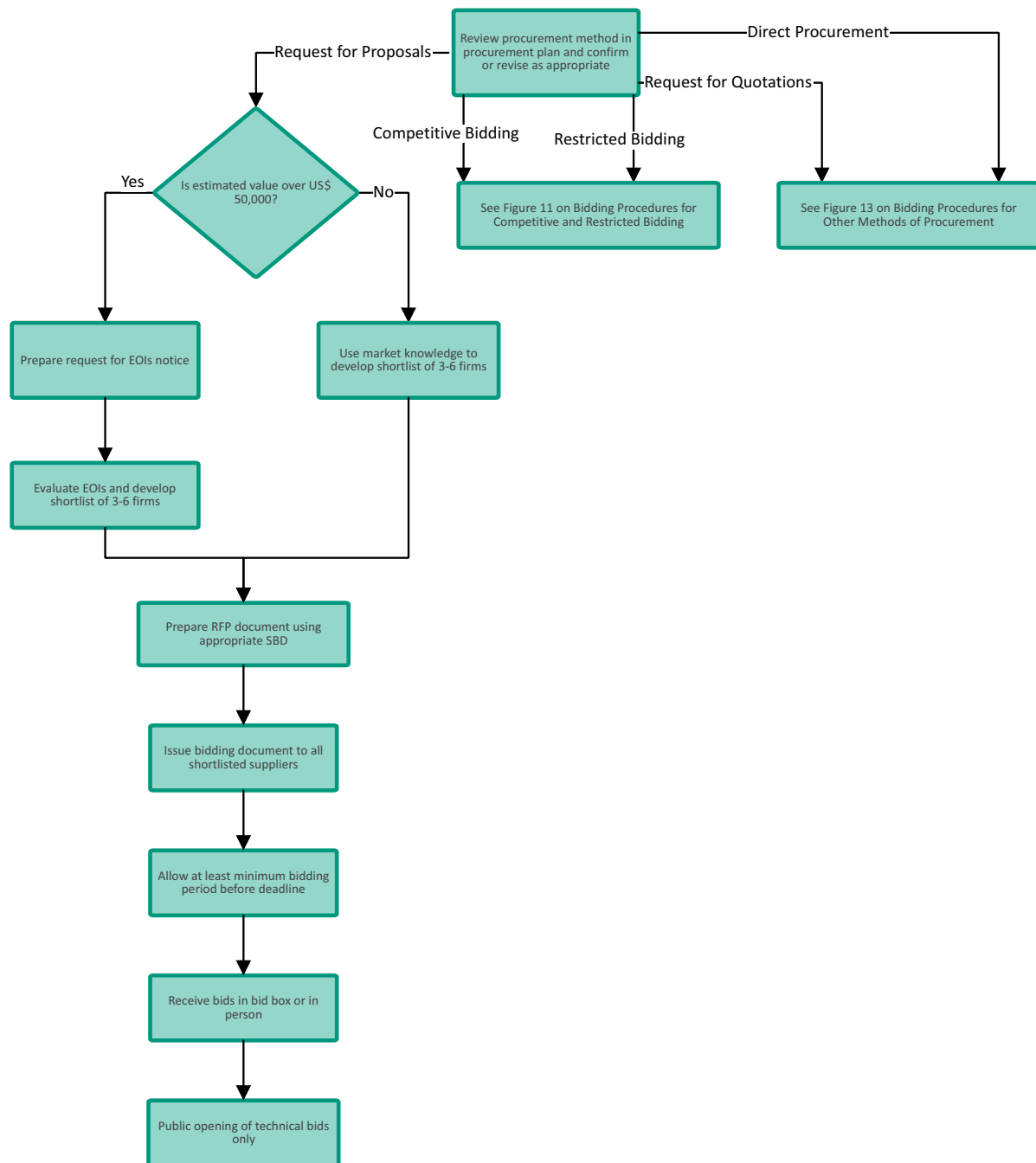
Figure 11 – Overview of Bidding Procedures for Competitive and Restricted Bidding





STEP-BY-STEP INSTRUCTIONS – BIDDING PROCEDURES FOR REQUEST FOR PROPOSALS

Figure 12 – Overview of Bidding Procedures for Request for Proposals



Under the request for proposals method, it is important to decide which method of selection to use during procurement planning and prior to commencement of the procurement process. See module 7.1 for guidance on determining which method of selection to use.

STEP-BY-STEP INSTRUCTIONS – BIDDING PROCEDURES FOR OTHER METHODS OF PROCUREMENT

Figure 13 – Overview of Bidding Procedures for Other Methods of Procurement



GUIDANCE ON ADVERTISING

The form of advertising needed, if any, is determined by the method of inviting bids. Refer to Figures 1--12 above to determine:

- whether advertising is required;
- the form of advertisement e.g. pre-qualification notice, bid notice or request for expressions of interest; and
- whether national or international advertising is required.

Refer to Section 38 of the Act.

The table below summarises the mandatory and optional advertising requirements for both national and international notices.

Table 5 – Summary of Advertising Requirements

	National Advertising	International Advertising
Mandatory requirements	Publish in the Gazette	
	Publish in one national newspaper of wide enough circulation OR Post on the Internet and any website of the Authority	
		Publish in at least two publications widely used for international trade or with adequate circulation
		Post on widely read websites
		Post in foreign diplomatic and consular missions
Optional requirements	Broadcast over radio or television	
	Send directly to potential bidders, chambers of commerce and trade or professional associations after publication	

Note that this table does not apply to advertising notices inviting enrolment on a standing list; see module 5.2 for advertising requirements for this.

Templates for notices are available among the Authority's standard documents.

MODULE 5.2: PRE-QUALIFICATION

1. OBJECTIVE

Qualification criteria are used to assess whether bidders, or potential bidders:

- are eligible to participate in public procurement in terms of their legal, financial and ethical position; and
- have appropriate technical competence, capability and experience, as well as necessary resources, equipment, facilities or personnel to perform a contract satisfactorily.

Permitted qualification criteria are detailed in section 28 of the Act and must be prepared for each procurement requirement, according to the nature of the proposed contract.

A pre-qualification process assesses the qualifications of potential bidders prior to conducting a full bidding process. It is used to:



limit participation in a competitive bidding process for high value or complex requirements to bidders with the necessary qualifications to perform the contract satisfactorily; or



facilitate preparation of a shortlist of suitable firms for a request for proposals process for consultancy services; or



facilitate the preparation of a standing list for groups of similar contracts to be procured through restricted bidding; and



provide equal opportunities for all prospective bidders to apply for prequalification for a particular contract by responding to a notice to prequalify or to express interest; and



avoid wasted effort by bidders in preparing detailed bids for contracts for which they are not qualified and by procuring entities in evaluation bids from bidders who are not qualified.

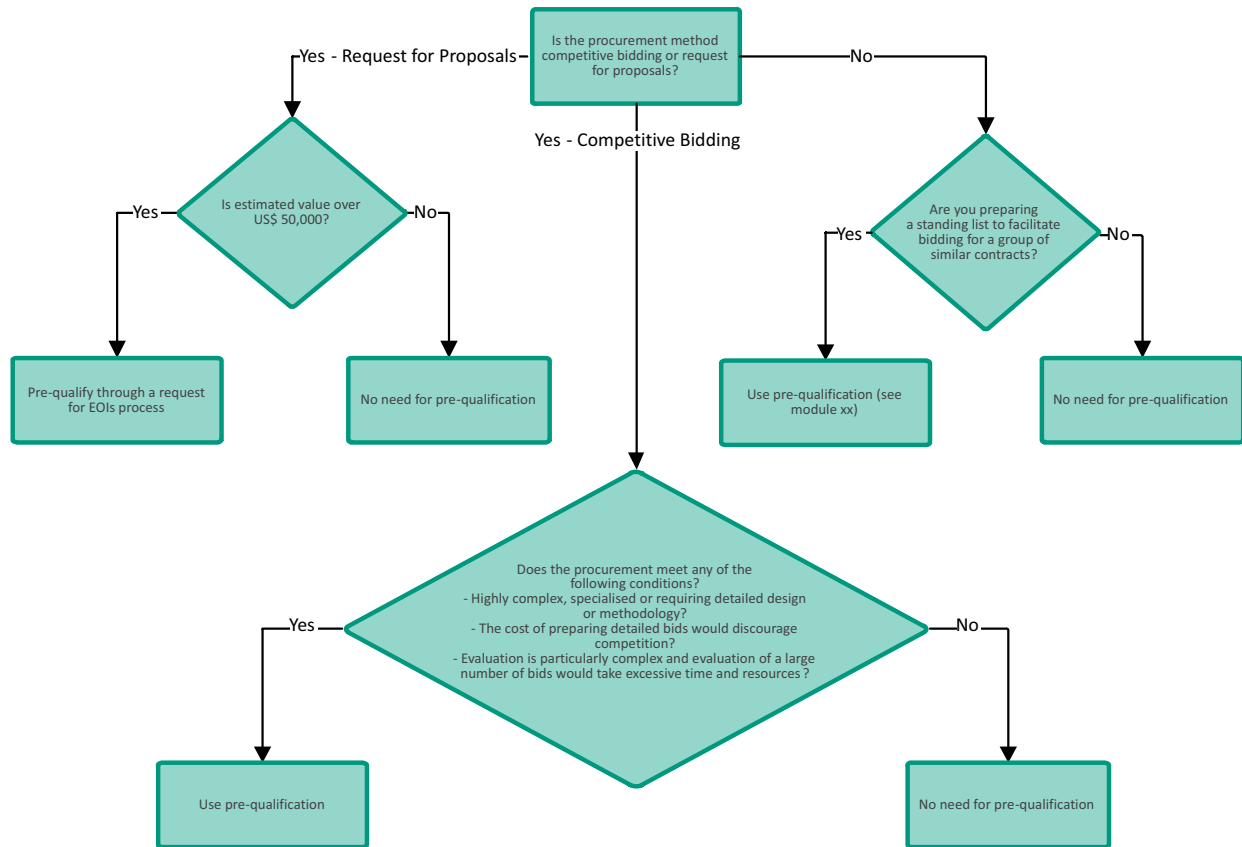
Where pre-qualification is not used, the successful bidder's qualifications will usually be checked through a post-qualification process as part of the evaluation; see module 6.4 for details.

Refer to Section 28 of the Act and Sections 14 and 36 of the Regulations.

WHEN TO USE PRE-QUALIFICATION:

The following flowchart shows how to identify whether pre-qualification should be used.

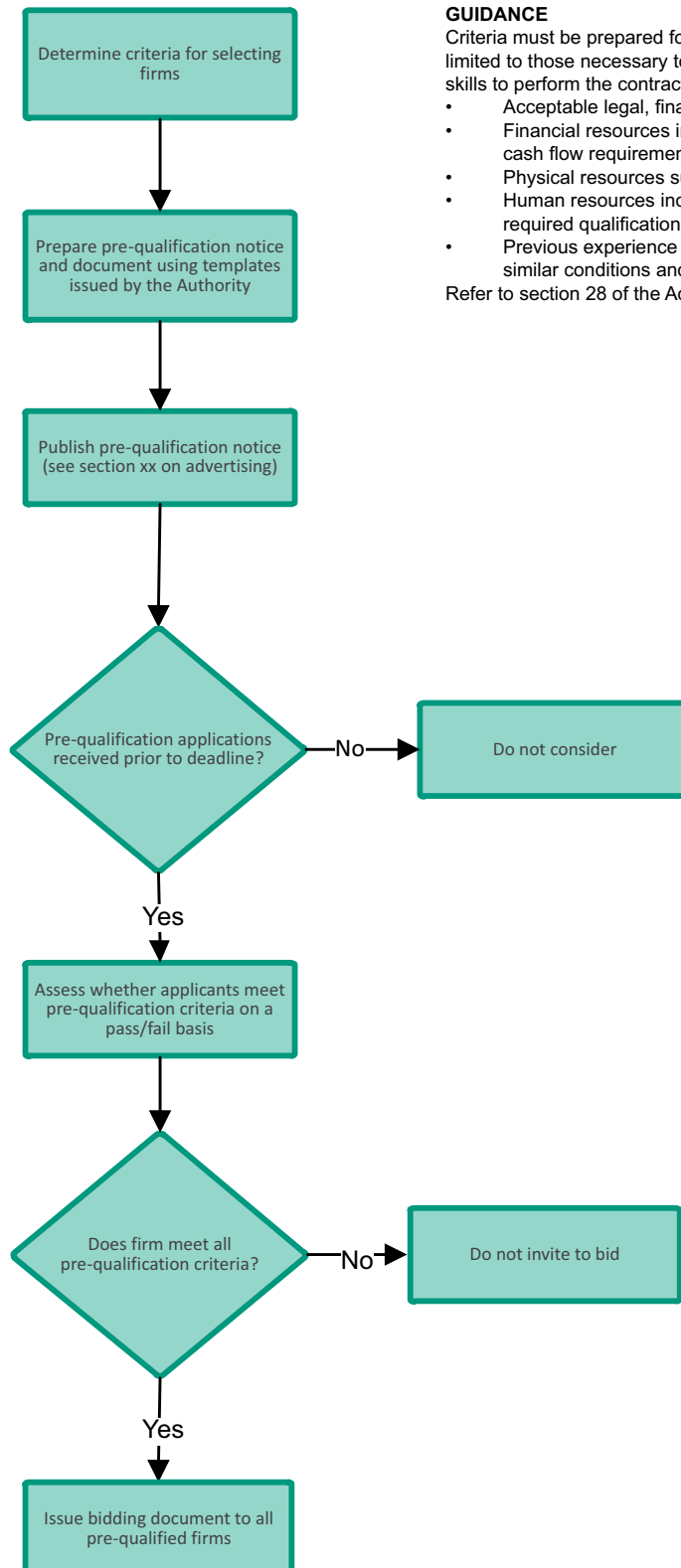
Figure 14 – Decision Process for Use of Pre-Qualification



STEP-BY-STEP INSTRUCTIONS: CONDUCTING PRE-QUALIFICATION UNDER COMPETITIVE BIDDING:

The flowchart below shows the process for conducting pre-qualification under the Competitive Bidding method of procurement.

Figure 15 –Pre-Qualification under Competitive Bidding



GUIDANCE

Criteria must be prepared for each procurement requirement and must be limited to those necessary to establish whether firms have the resources and skills to perform the contract satisfactorily. These generally include:

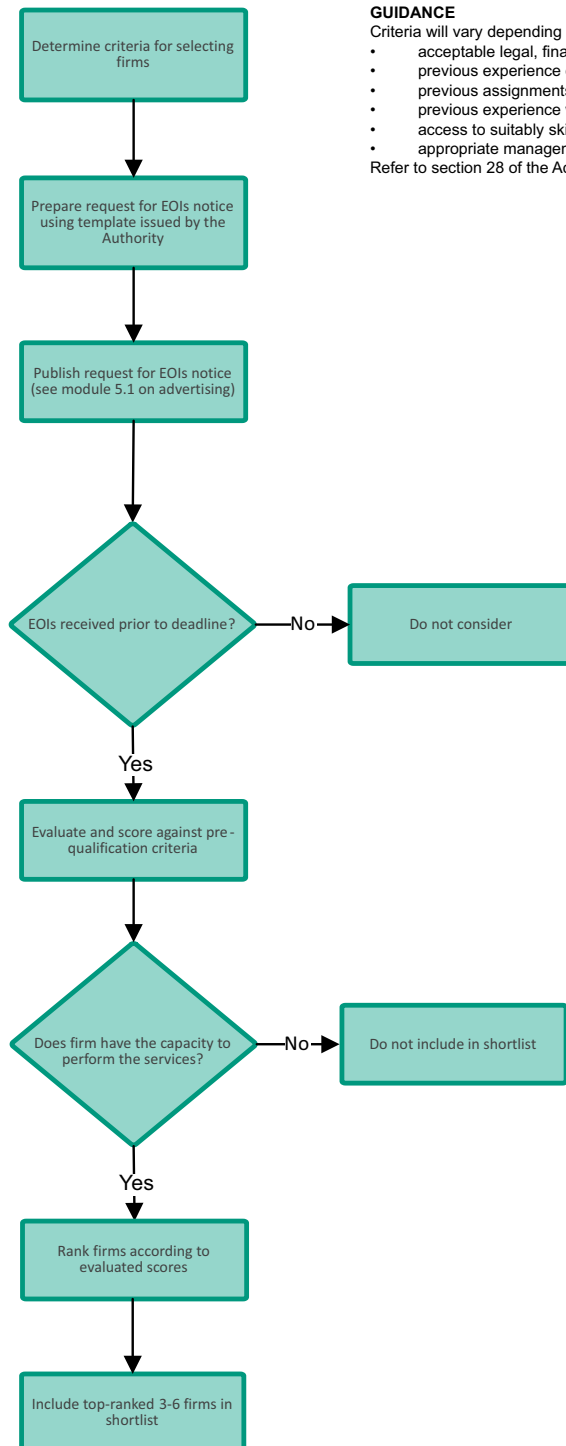
- Acceptable legal, financial and ethical status of the firm
- Financial resources in terms of turnover and capacity to manage the cash flow requirements of the contract
- Physical resources such as equipment or manufacturing facilities
- Human resources including managerial capability and staff with required qualifications or specialist technical skills
- Previous experience of contracts of a similar size and complexity, in similar conditions and/or using the same technology or methods.

Refer to section 28 of the Act for guidance on criteria.

STEP-BY-STEP INSTRUCTIONS: CONDUCTING PRE-QUALIFICATION TO PREPARE A SHORTLIST UNDER REQUEST FOR PROPOSALS:

The flowchart below shows the process of pre-qualification for preparing a shortlist under the Request for Proposals method of procurement for consultancy services.

Figure 16 –Pre-Qualification for Consultancy Services



GUIDANCE

Criteria will vary depending on the type of services but would typically include:

- acceptable legal, financial and ethical status of the firm
- previous experience of providing similar services
- previous assignments of a similar size and complexity
- previous experience with similar clients and/or in similar environments
- access to suitably skilled personnel
- appropriate management and/or quality assurance systems

Refer to section 28 of the Act for guidance on criteria.

STEP-BY-STEP INSTRUCTIONS: CONDUCTING PRE-QUALIFICATION TO ESTABLISH A STANDING LIST FOR RESTRICTED BIDDING

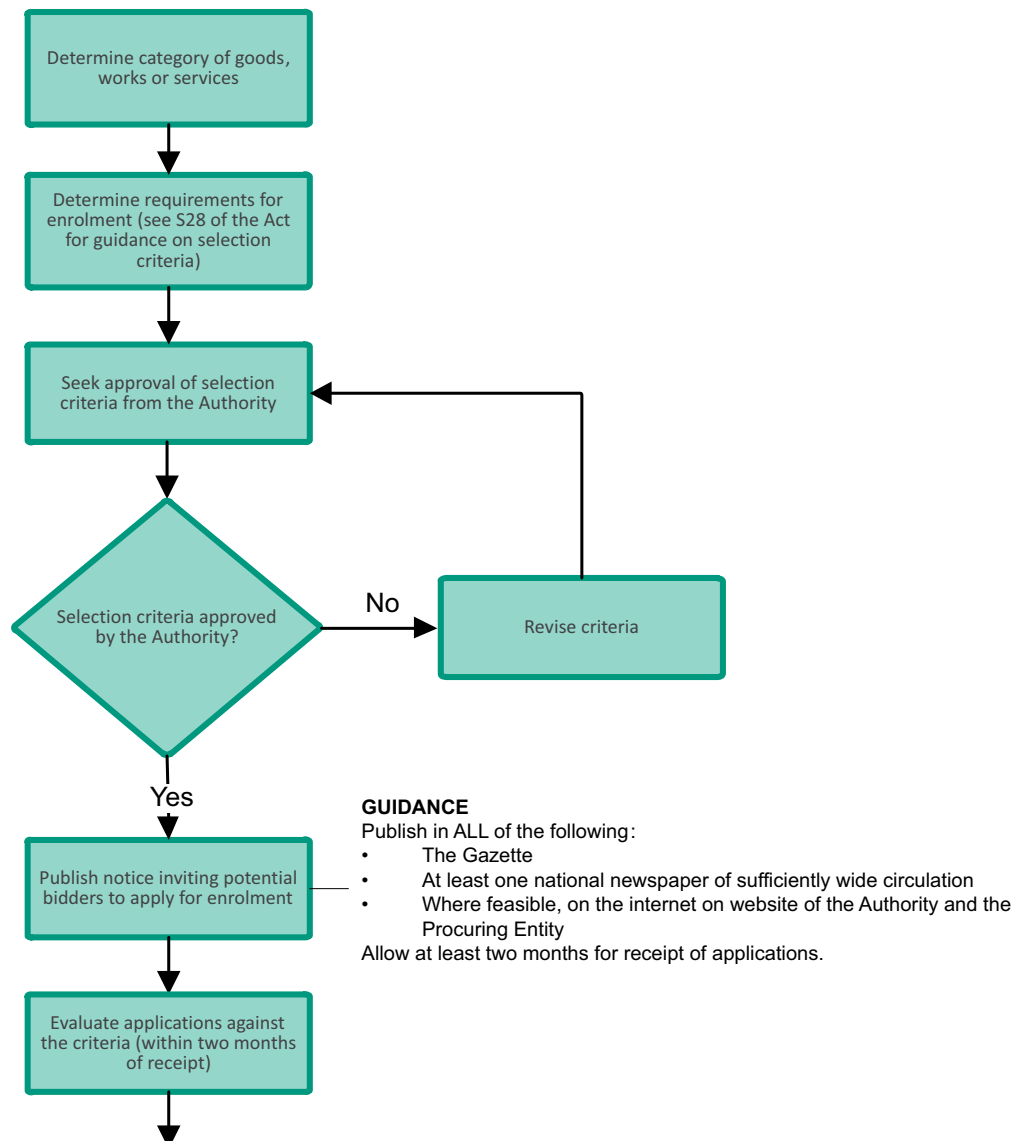
Where a procuring entity wishes to establish a standing list of qualified bidders for a particular field of activity, it should:

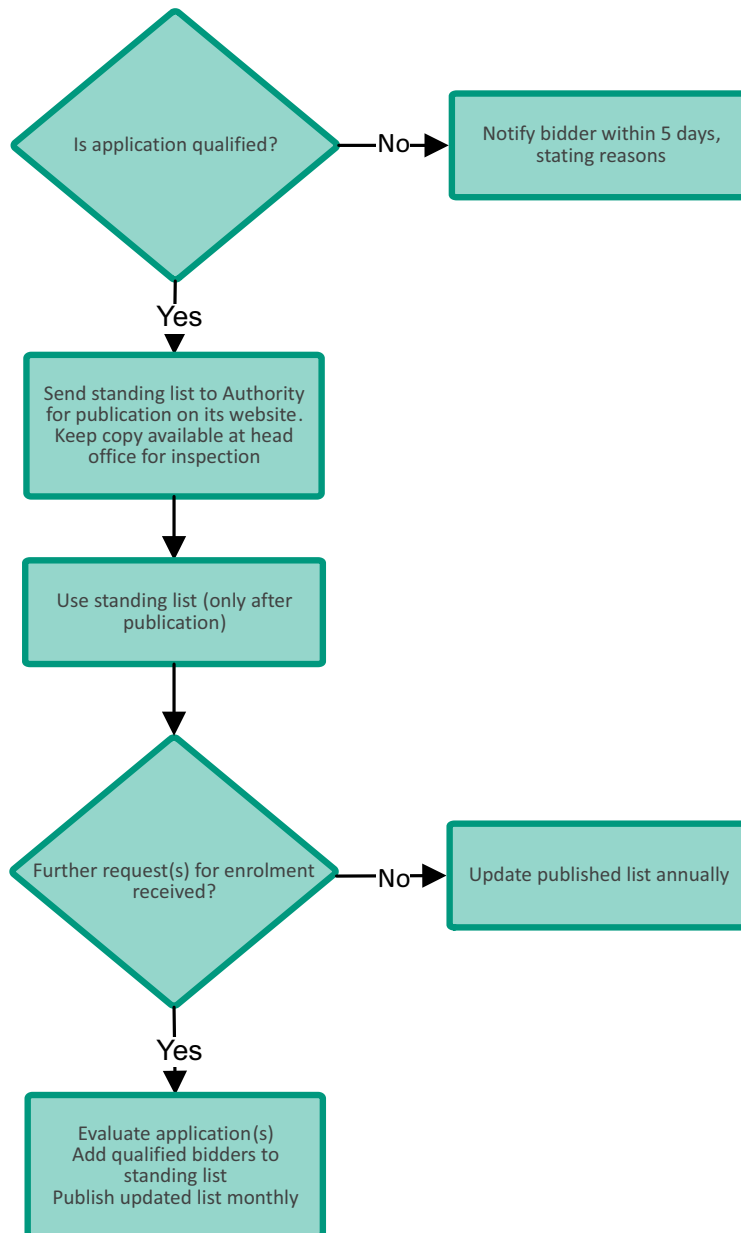
- note that this must be done in co-operation with the Authority and that the Authority may already have registered bidders and contractors in a relevant specialised category; and
- consider whether the category of goods, works or services should be subject to shared procurement.

Refer to Section 15 of the Regulations.

The flowchart below shows the process of pre-qualification for establishing a standing list for a particular field of activity to be used in shortlisting under restricted bidding.

Figure 17 –Pre-Qualification to Establish a Standing List for Restricted Bidding










MODULE 5.3:

PREPARING BIDDING DOCUMENTS

1. OBJECTIVES

A well prepared bidding document is critical to the success of the procurement process, as it sets out all rules, requirements and conditions governing bidding, evaluation, contract award and the proposed contract itself. The bidding document informs bidders of:

-  the description of the goods, works or services required;
-  the rules for the bidding, evaluation and award process;
-  the evaluation methodology and criteria which will be applied;
-  any qualification criteria which will be applied; and
-  the type and conditions of the proposed contract.

The term “bidding document” is used to refer to any form of document inviting bidders to submit a bid for a particular requirement and therefore includes Request for Proposals (RFP) and Request for Quotations (RFQ) documents.

Refer to Section 40 of the Act and Section 20 of the Regulations.

STEP-BY-STEP INSTRUCTIONS: PREPARING BIDDING DOCUMENTS

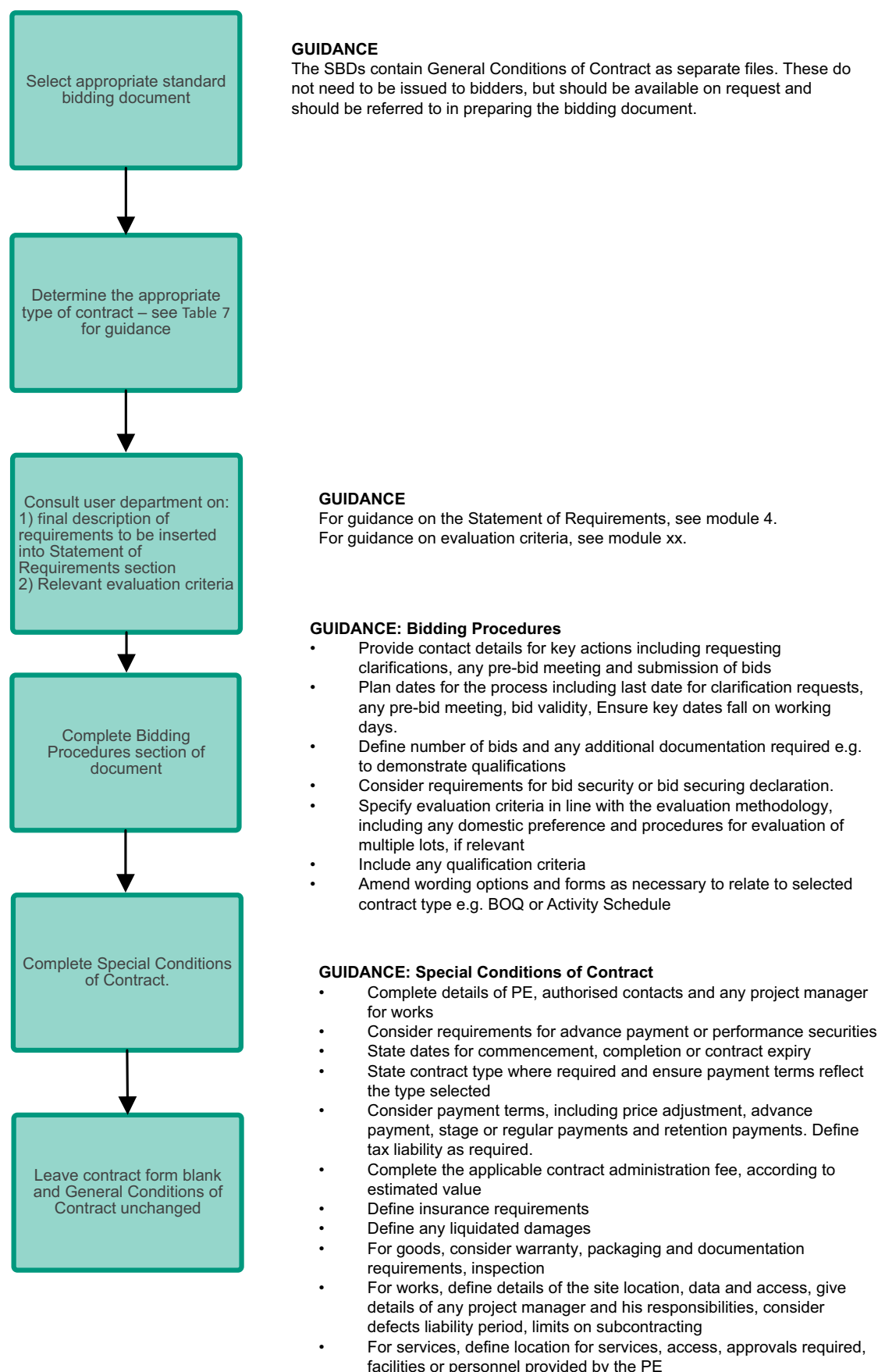
In preparing a bidding document, PEs must use the appropriate standard bidding document issued by the Authority. These documents contain guidance notes on their use and indicate which parts of the document are standard and much be used unchanged and which parts should be edited to suit the particular requirement.

The bidding document must be ready for distribution prior to publication of any invitation to bid notice. A PE may charge a fee for bidding documents, but this must not exceed the cost of printing and distributing the document. Where bidding documents are issued by electronic means, no fee may be charged.

Under two-stage bidding, the PE is likely to amend and reissue the bidding document, following first stage discussions.

The flowchart below shows the process for preparing a bidding document. This process is suitable for any type or method of procurement.

Figure 18 Preparing bidding documents



GUIDANCE: SETTING THE BIDDING PERIOD

The following table shows the *minimum* bidding periods for each method of procurement. Note that these are a minimum and only and that a reasonable period should be set, depending on the nature and circumstances of the procurement.

Refer to Section 39 of the Act and Sections 17 and 19 of the Regulations.

Table 6 – Summary of Minimum Bidding Periods

	National Bidders Only	National and International Bidders
Prequalification	15 (fifteen) working days	
Competitive Bidding	20 (twenty) working days	40 (forty) working days
Request for Proposals (EOI notice published)	20 (twenty) working days	30 (thirty) working days
Request for Proposals (No EOI notice published)	12 (twelve) working days	20 (twenty) working days
Restricted Bidding	No minimum requirement	
Request for Quotations	3 (three) working days	
Direct Procurement	No minimum requirement	

Note that these bidding periods apply to procuring entities in Zimbabwe. Any embassies and public bodies operating outside Zimbabwe should refer to Section 12 of the Regulations.

GUIDANCE: TYPES OF CONTRACT AND PRICING APPROACHES

Before drafting a bidding document, it is important to agree the type of contract to be used. Different types of contract provide different pricing approaches and are appropriate in different circumstances. The following table summarises the main types of contract, their pricing approaches and the circumstances when they are typically appropriate.

Refer to Section 80 of the Act.

Table 7 – Summary of Main Contract Types

TYPE OF CONTRACT	PRICING APPROACH	APPROPRIATE USES
Lump Sum	<ul style="list-style-type: none"> A fixed (lump sum) price is agreed for completion of the contract, irrespective of the inputs required Payment terms may include advance payment, stage payments against certain milestones or partial deliveries, final payments against completion or acceptance and payment retentions to cover warranty obligations Price adjustment may apply for contracts extending over a long period of time 	<ul style="list-style-type: none"> Goods – used for most goods contracts with fixed quantities and specifications Works – used where works are well defined, site conditions are well known and quantities and specifications are unlikely to change Non-Consultancy Services - used for most non-consultancy contracts with fixed quantities or duration of performance and well-defined service requirements

TYPE OF CONTRACT	PRICING APPROACH	APPROPRIATE USES
		<ul style="list-style-type: none"> Consultancy Services – used where the scope of work is unlikely to change, the required outputs (deliverables) are well-defined and the inputs required to achieve deliverables can be reliably estimated
Time-Based or Admeasurement	<ul style="list-style-type: none"> A unit price is agreed and payment is based on quantities actually delivered or performed For Works, a Bill of Quantities defines work items, estimated quantities and agreed unit prices For Consultancy, unit prices are agreed per hour/day/month for named experts and estimated costs are included for reimbursable items such as travel, accommodation and miscellaneous costs. Advance payments may be made. Price adjustment may apply for contracts extending over a long period of time 	<ul style="list-style-type: none"> Works (known as Admeasurement) – used where specifications or quantities are likely to change or site conditions are unknown Consultancy Services (known as Time-Based) – used where the scope of work may change, the duration of work may change or is beyond the control of the consultant or required inputs cannot easily be estimated in advance
Framework	<ul style="list-style-type: none"> A framework agreement establishes key terms and conditions, which may include unit prices for particular inputs or items, but no goods, work or services are purchased by the framework itself Call-off contracts are issued to purchase confirmed goods, works or services at agreed prices. 	<ul style="list-style-type: none"> Goods, Works, Non-Consultancy or Consultancy Services which are needed regularly over a period of time, but where precise demand cannot be defined in advance

See Module 5.4 below for additional guidance on the use of framework agreements.

MODULE 5.4: ADDITIONAL GUIDANCE FOR FRAMEWORK AGREEMENTS

1. OBJECTIVE

Framework agreements support efficiency and value for money in the procurement of goods, works and services which are needed regularly over a period of time, as they:

- allow requirements over a period of one or more years to be aggregated into a single competitive procurement process for a framework agreement, avoiding the workload of multiple procurement processes for the same requirement;
- allow economies of scale to be achieved, with potentially larger quantities encouraging bidders to offer better prices and other terms;
- offer flexibility for procuring entities as precise quantities do not need to be confirmed at the time of award of the framework agreement;
- allow several procuring entities to use the same framework agreement, while retaining control of their purchases through issuing their own call-off contracts; and
- allow smaller quantities to be purchased, as and when required, while maintaining a competitive bidding process and avoiding use of multiple request for quotation processes.

Refer to Section 30(3) of the Act, Section 11 of the Regulations and Guidelines issued by the Authority.

Note that

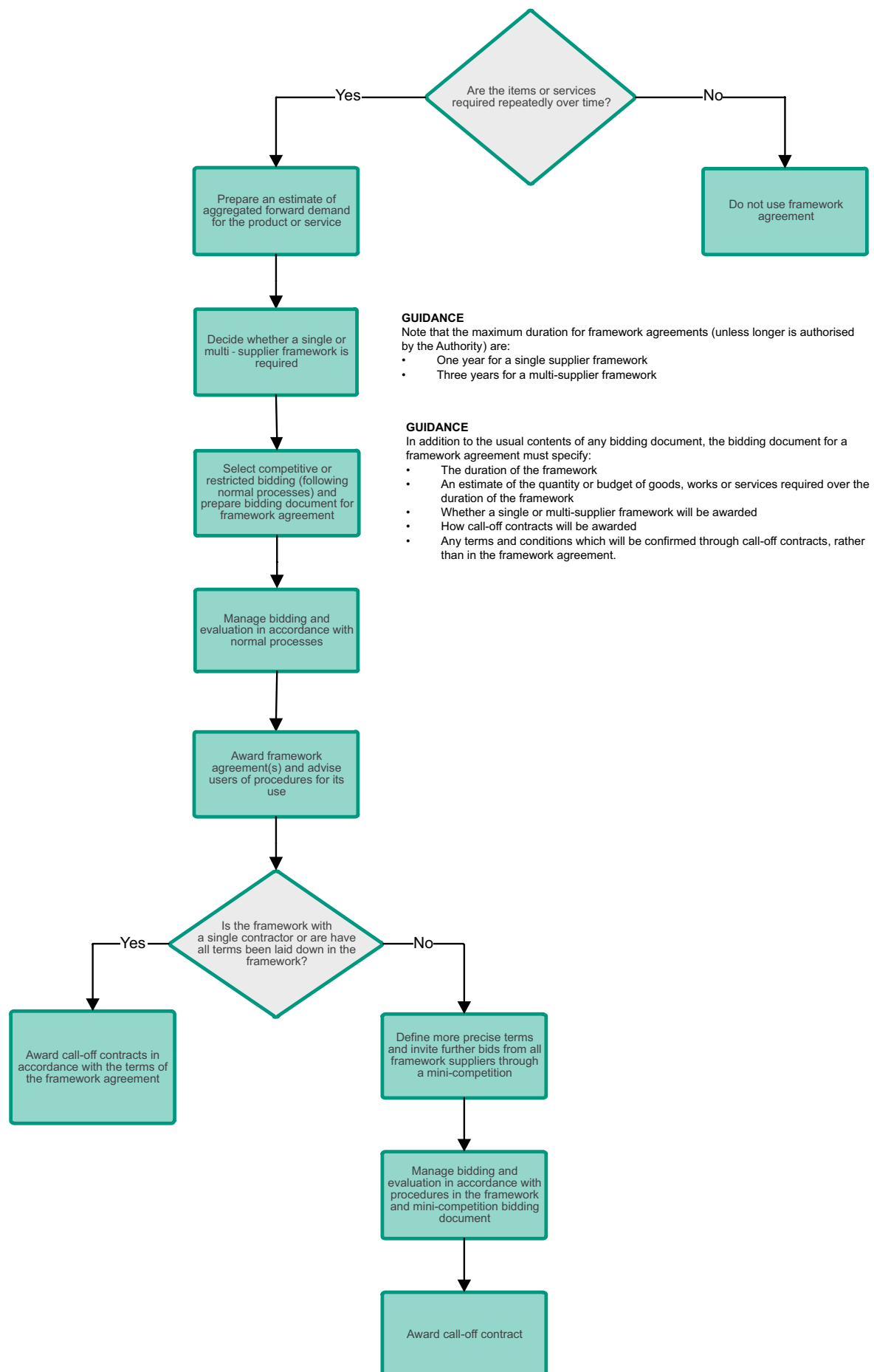
- the “framework agreement” is the overarching document which establishes key terms and conditions (often including unit prices), but it does not actually purchase any goods, work or services; for this reason, it is called an agreement, rather than a contract;
- “call-off contracts” are issued to purchase goods, works or services under the terms of the framework agreement; these are referred to as contracts as they are the document forming a contractual commitment to purchase.

STEP BY STEP INSTRUCTIONS: PROCEDURES UNDER FRAMEWORK AGREEMENTS

The procurement of a framework agreement must follow normal competitive or restricted bidding processes. The award of call-off contracts under a framework may be directly awarded or require a further bids to be invited under a “mini-competition”, according to the nature and terms of the framework agreement.

The flowchart below shows the overall process for frameworks, covering both the procurement of the framework agreement and the award of call-down contracts. preparing a bidding document.

Figure 19 - Procurement process for framework agreements and call-down contracts



MODULE 5.5 CLARIFICATION OR MODIFICATION OF THE BIDDING DOCUMENT

OBJECTIVE:

Clarification or modification of the bidding document may be required during the bidding period, as a result of either a clarification request from a bidder or the PE deciding to modify the bidding document. Clarifications and modifications need to be managed effectively to:



Ensure all bidders are treated equally, receiving the same information;



Avoid unnecessary delays to the bidding process;



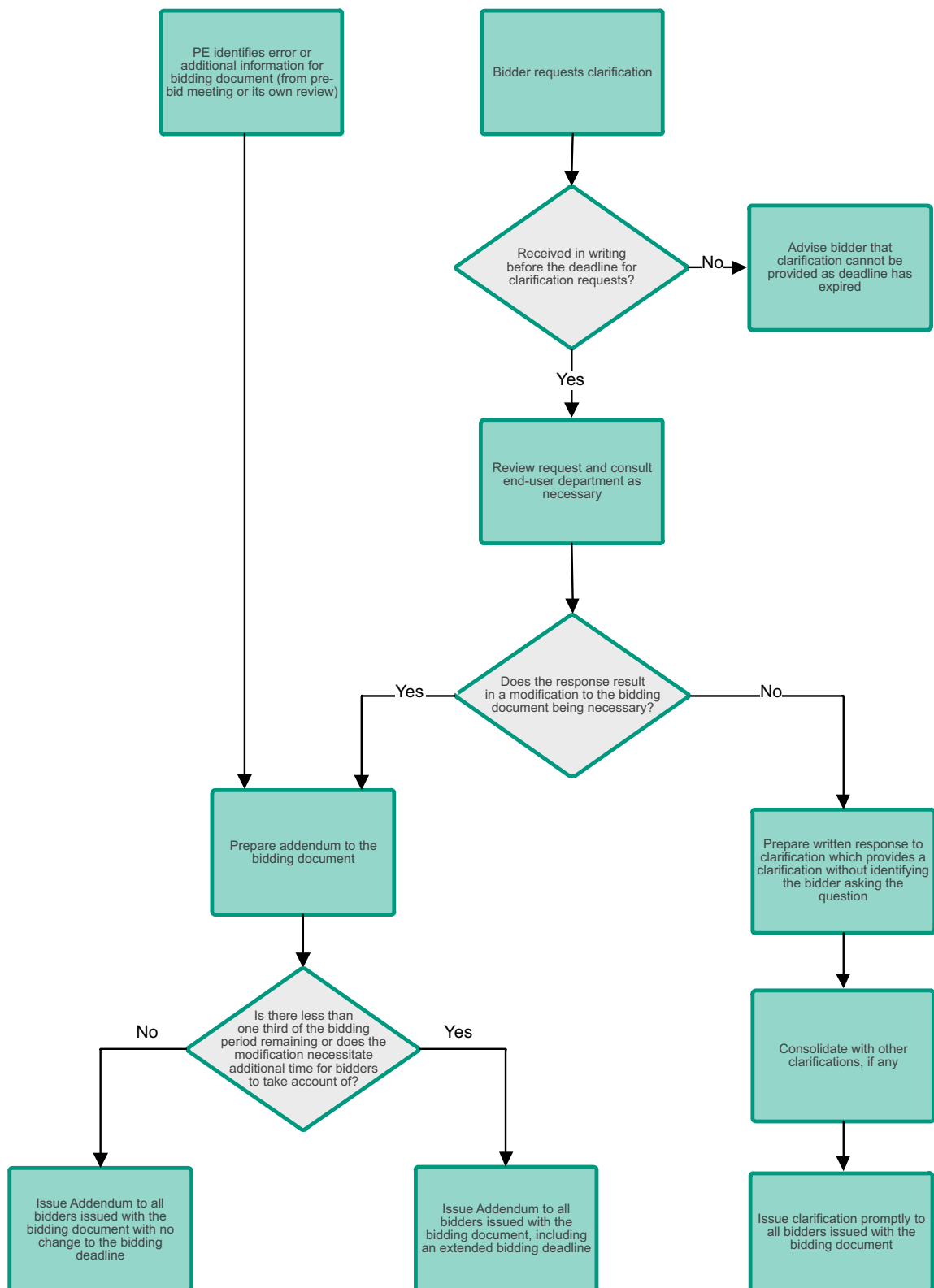
Maximise the number and quality of bids by providing clarity on the PE's requirements and ensuring bidders have sufficient time and information to respond to these requirements.

Refer to Section 41 of the Act and Section 21-22 of the Regulations.

STEP-BY-STEP INSTRUCTIONS: CLARIFICATIONS OR MODIFICATIONS TO THE BIDDING DOCUMENT

The following flowchart shows the process for handling clarifications and modifications to the bidding document.

Figure 20 – Managing Clarifications and Modifications



MODULE 5.6 BID RECEIPT AND OPENING

1. OBJECTIVE:

The objective of this procedure is to ensure that the receipt and opening of bids is managed correctly in order to:



ensure that submitted bids are not accessible to anyone before the bidding deadline;



provide transparency in the bidding process, reducing the likelihood of complaints;



ensure that clear records are kept of bids received and opened.

Refer to Section 46 of the Act and Section 27 of the Regulations.

STEP-BY-STEP INSTRUCTIONS: BID RECEIPT AND OPENING

Please note that this formal process of receipt and opening of bids is not required under Direct Procurement. The following flowcharts shows the processes for receiving and opening bids under all other methods.

Figure 21 - Bid Receipt

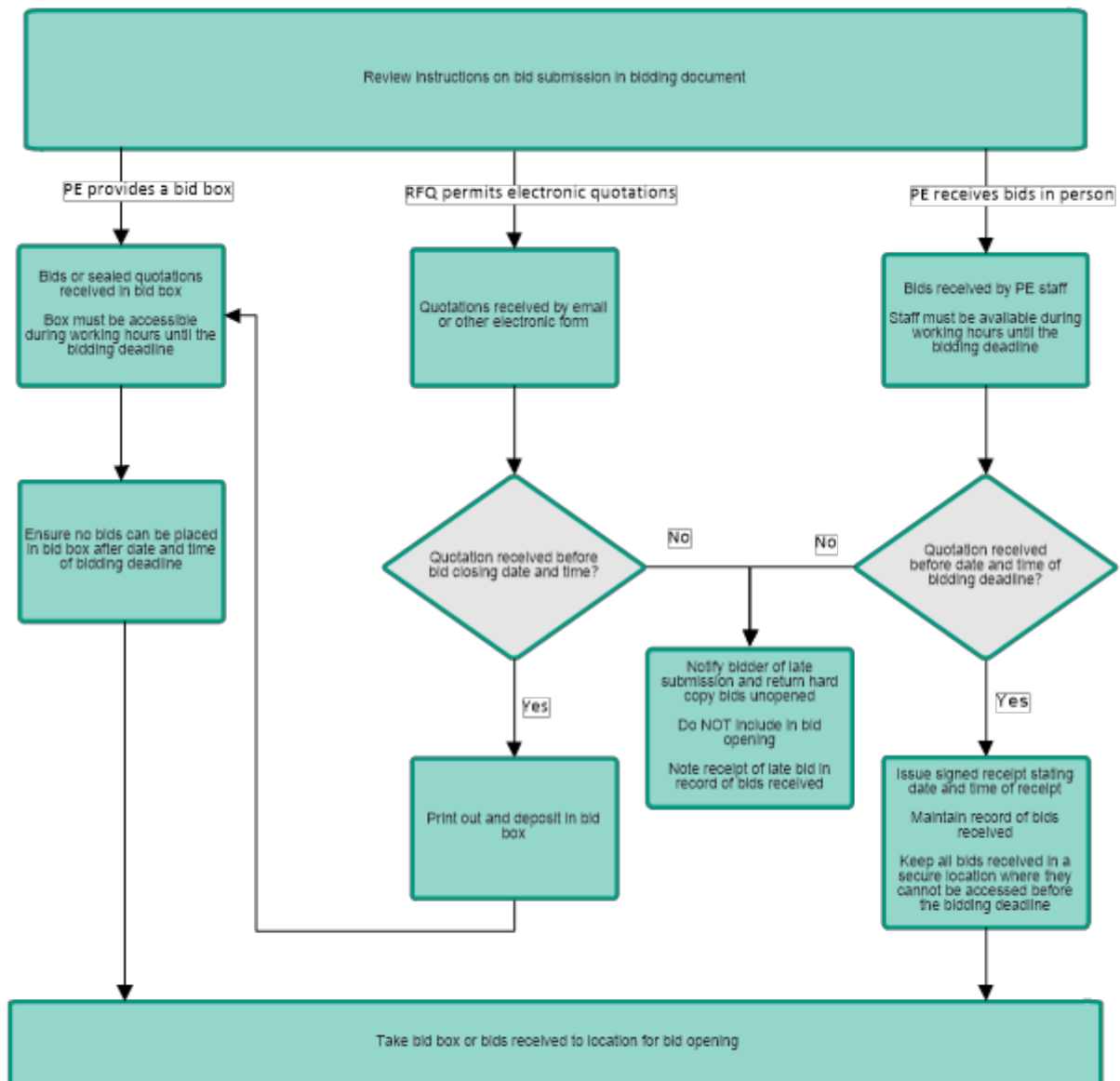
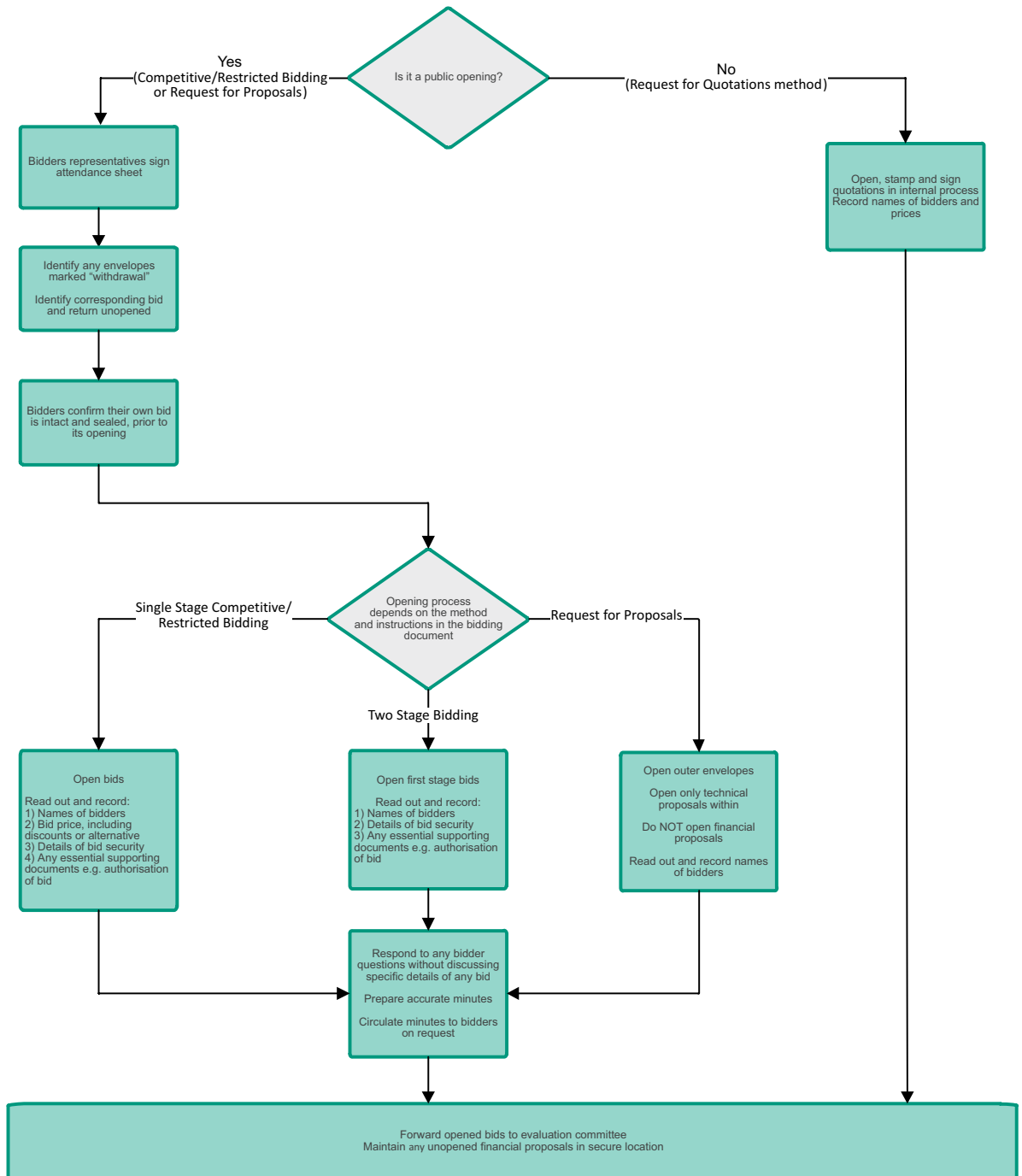


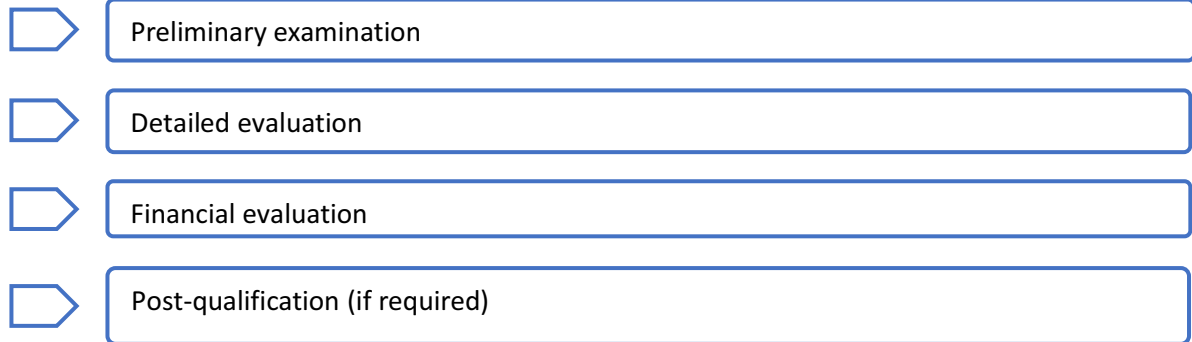
Figure 22 - Bid Opening



MODULE 6. EVALUATION PROCEDURES FOR GOODS, WORKS AND NON-CONSULTANCY SERVICES

1. OVERVIEW OF EVALUATION PROCEDURES

Evaluation processes differ according to the type and method of procurement and the methodology and criteria specified in the bidding document. However, all evaluation follows the same steps of:



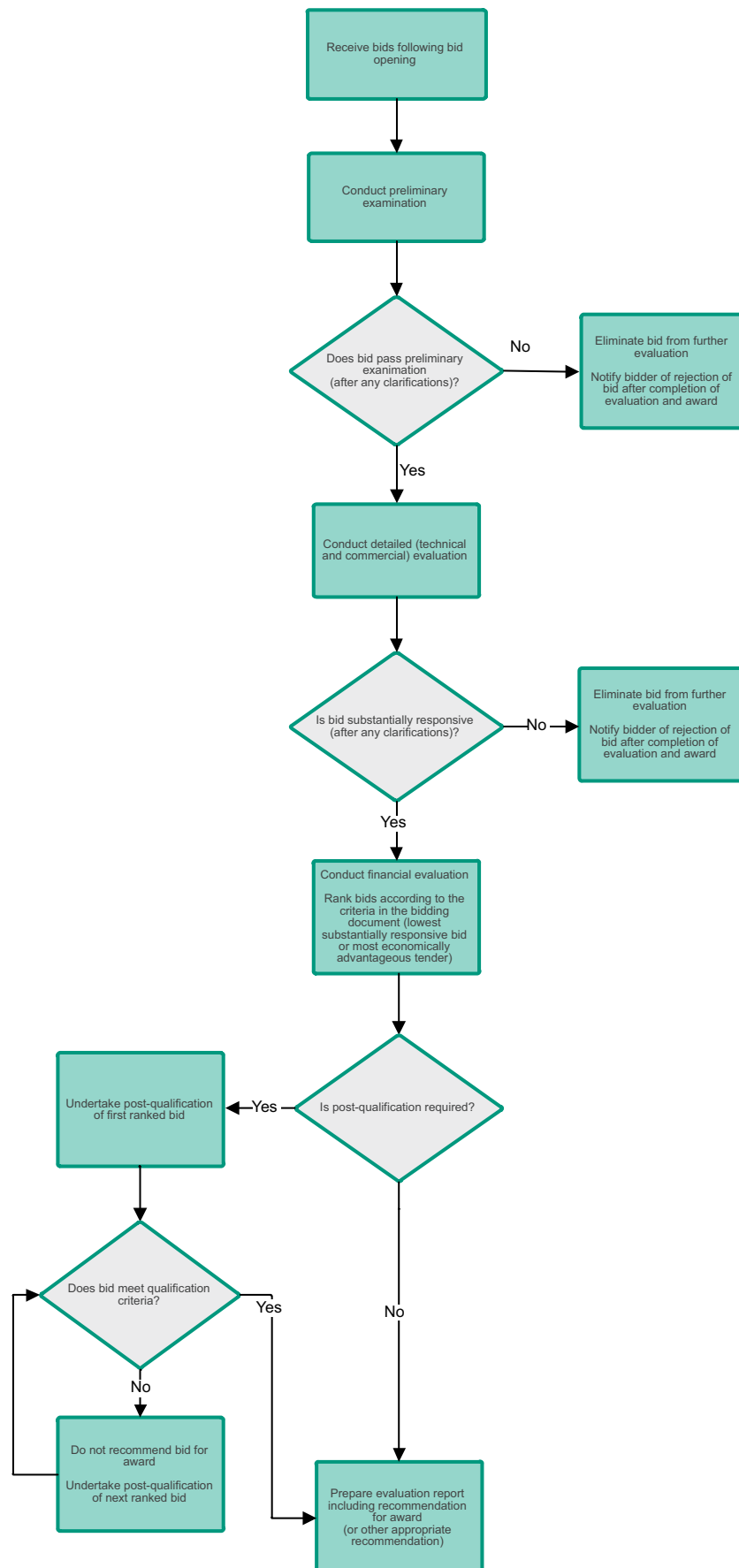
Bids failing at any stage of evaluation will not proceed to the subsequent stage.

Refer to Sections 47 to 51 of the Act and Part V of the Regulations.

Evaluation reports should be prepared using the standard templates issued by the Authority. These contain guidance notes on their completion.

The following flowchart provides an overview of the evaluation process for goods, works and non-consultancy services.

Figure 23 – Overview of Evaluation Process: Goods, Works and Non-Consultancy



Where competitive bidding is held in two stages, the detailed evaluation is more complex; see module 6.5 for additional guidance on two-stage procedures. The evaluation of consultancy services follows different procedures; see module 7 for further information.

The following modules set out the procedures for each stage of evaluation in more detail.

2. WHO CONDUCTS THE EVALUATION?

Who conducts the evaluation depends on the estimated value of the procurement. Requirements are summarised in the table below:

Estimated Value of Procurement	Who Conducts Evaluation?
Below: <ul style="list-style-type: none">• US\$20,000 for works• US\$10,000 for goods• US\$5,000 for services	No evaluation committee required – PMU may conduct evaluation
Equal to or above: <ul style="list-style-type: none">• US\$20,000 for works• US\$10,000 for goods• US\$5,000 for services	Evaluation committee to be appointed by accounting officer

Refer to Section 18 of the Act for guidance on the membership and responsibilities of an evaluation committee and Section 10(7) of the Regulations to confirm the threshold for appointing a committee.

3. HOW LONG SHOULD EVALUATION TAKE?

The Regulations require that the evaluation normally be completed within fifteen days of the bid submission deadline. See Section 30(1) of the Regulations for guidance on seeking an extension of time.

MODULE 6.1: PRELIMINARY EXAMINATION

1. OBJECTIVE:

A preliminary examination should be conducted as part of every evaluation process, regardless of procurement type or method. The preliminary examination:



ensures that the evaluation team don't spend time and effort conducting detailed evaluation on bids which are substantially non-responsive or where the bidder does not meet basic eligibility criteria;



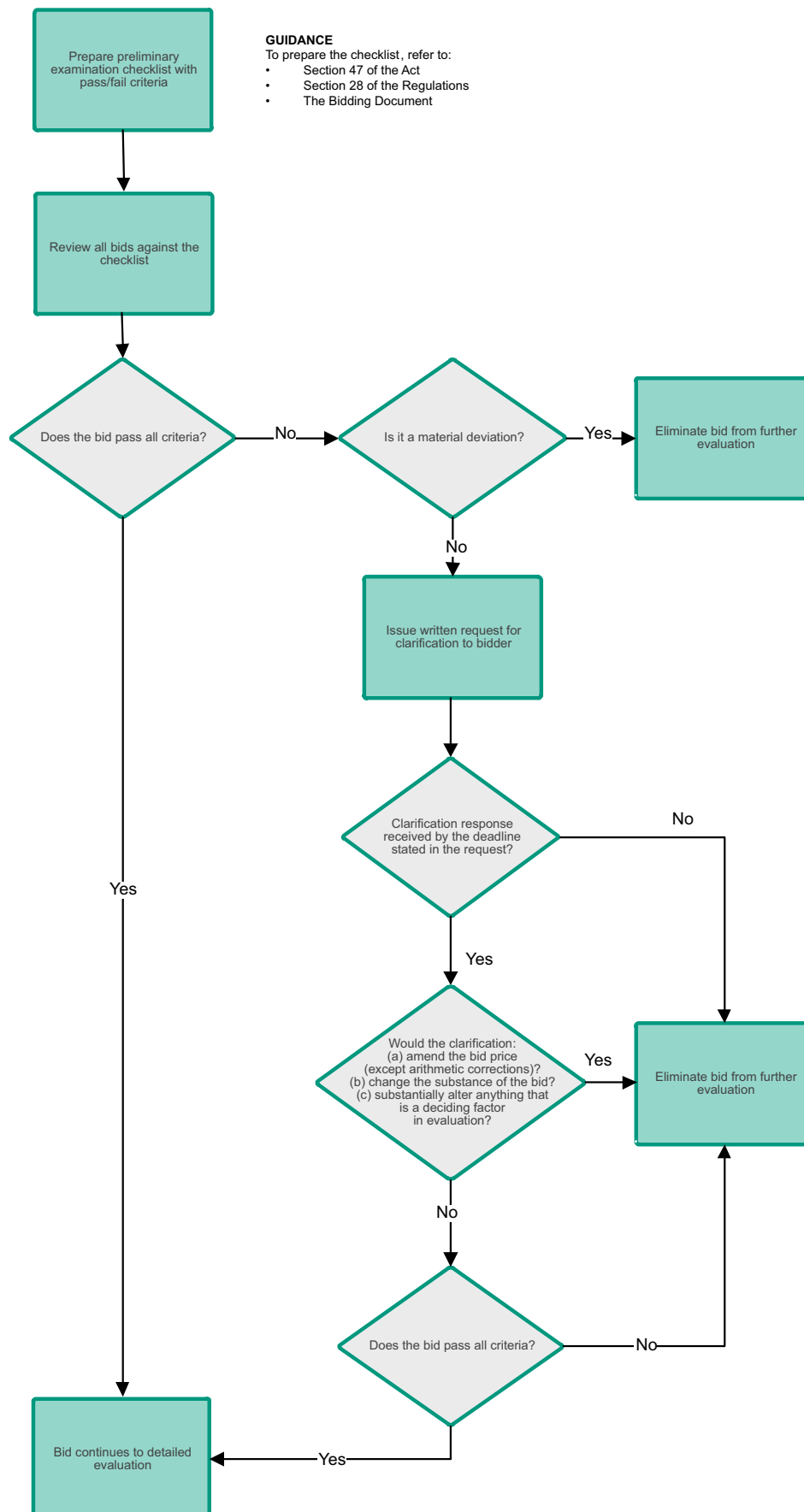
allows many minor non-conformities, errors or omissions to be rectified early in the evaluation process through the clarification of bids or provision of missing documentation.

Refer to Section 47 of the Act and Section 28 of the Regulations.

STEP-BY-STEP INSTRUCTIONS: PRELIMINARY EXAMINATION

The following flowchart shows the process for conducting a preliminary examination.

Figure 24 - Preliminary examination



EXAMPLE CHECKLIST: PRELIMINARY EXAMINATION

The checklist below provides an example of the issues typically checked during preliminary examination under competitive or restricted bidding procedures. Note that it is an example only and a specific checklist should be prepared for each procurement, based on the requirements in the Act, Regulations and bidding document issued.

EXAMPLE CHECKLIST FOR PRELIMINARY EXAMINATION		
	PRELIMINARY EXAMINATION CRITERIA	COMPLY? (YES/NO)
1.	Bid form submitted in correct form?	
2.	Acceptable bid security submitted with bid? i.e. in correct form and amount, from an acceptable institution and valid for at least the period required	
3.	Required Price Schedules submitted in the correct format?	
4.	Bid correctly signed and authorised?	
5.	Acceptable Power of Attorney submitted with bid providing evidence of authority to sign?	
6.	Correct number of copies of bids submitted?	
7.	Bid valid for at least the required period?	
8.	Additional documentation submitted? <i>(specify all documents required)</i>	
9.	Samples of goods submitted?	
10.	Acceptable company registration documents provided?	
11.	Acceptable evidence of tax registration/payment provided?	
12.	Supplier Registration number provided as evidence of registration with the Authority?	
13.	Bidder has no conflict of interest?	
14.	Bidder has not been debarred by the Authority?	

MODULE 6.2: DETAILED EVALUATION FOR GOODS, WORKS AND NON-CONSULTANCY SERVICES

1. OBJECTIVE:

A detailed evaluation should be conducted on every bid which passes the preliminary examination. The detailed evaluation assesses whether bids are:



technically responsiveness to the procuring entity's needs, as defined in the description of requirements included in the bidding document;



Commercially responsive to the procuring entity's needs, as defined in the terms and conditions of the proposed contract included in the bidding document.

Any bid which is not substantially responsive will be eliminated from further evaluation.

The evaluation committee should contain members with appropriate technical and commercial skills to adequately conduct the detailed evaluation.

Refer to Sections 50-51 of the Act and Section 30 of the Regulations.

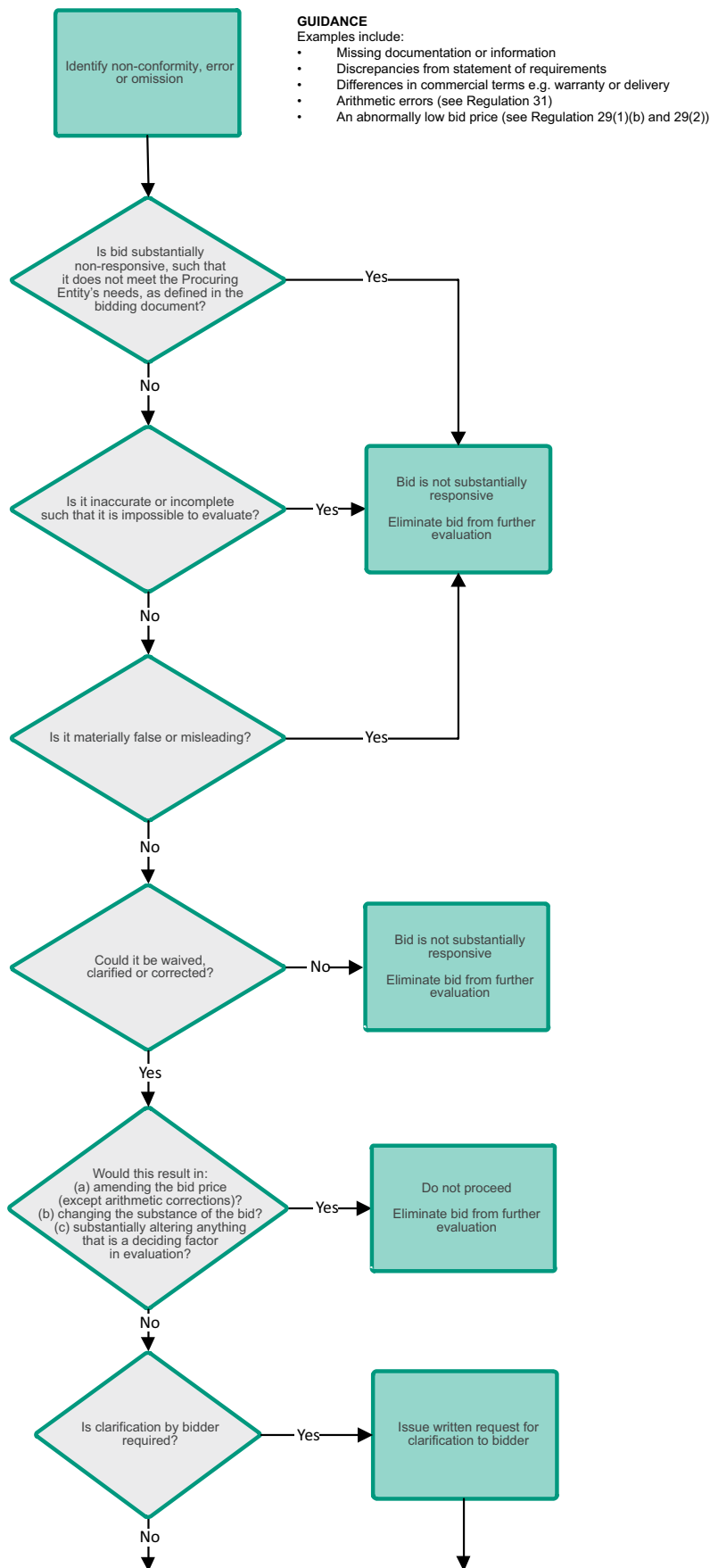
[GUIDANCE: DETERMINATION OF SUBSTANTIAL RESPONSIVENESS](#)

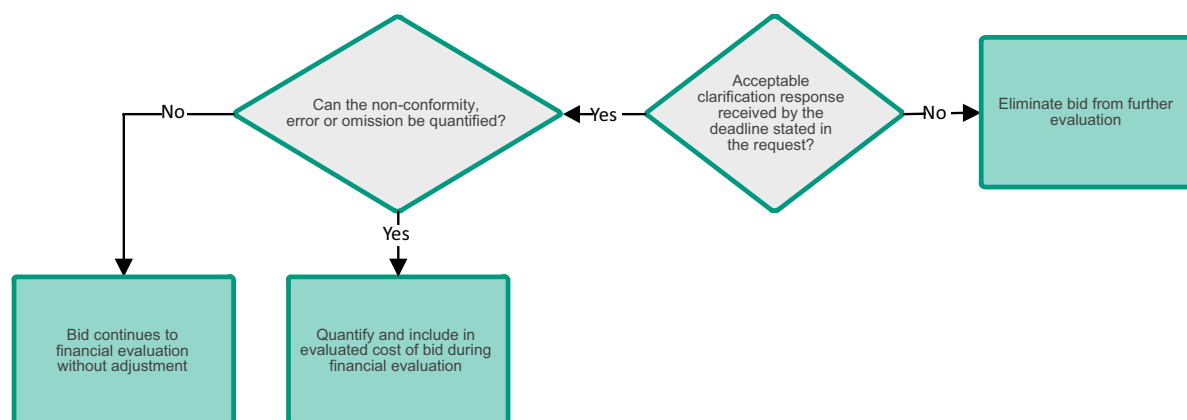
Determining whether a bid is substantially responsive is a matter of judgement; whether a non-conformity, error or omission is material or non-material will depend on the circumstances of each procurement and the requirements of the bidding document. Staff responsible for evaluation should ensure that:

- all bids are treated fairly and equally; and
- all non-conformities, errors and omissions and the manner in which they have been treated are clearly recorded in the evaluation report.

The following flowchart provides a suggested process for determining whether a bid is substantially responsive and whether any non-material non-conformities, errors or omissions can be waived, clarified or corrected.

Figure 25 – Determining Responsiveness





GUIDANCE: DETAILED EVALUATION FOR GOODS

The table below lists examples of issues typically checked during the detailed evaluation of bids for goods. Note that these are examples only and the list is not exhaustive; the detailed evaluation will always be determined by the technical and commercial requirements of the bidding document issued.

DETAILED EVALUATION FOR GOODS		
	Conformity with the specifications contained in the description of requirements or only minor deviations which are acceptable to the procuring entity?	
	Compliance with specified quality standards or other equivalent standards?	
	Acceptable quality assurance procedures in place during manufacturing?	
	Acceptable product registrations in place?	
	Acceptance of key contract conditions, such as payment, insurance, dispute resolution and liability or inclusion of only minor deviations which are acceptable to the procuring entity and can be quantified in the evaluation?	
	Any sub-contracting is within the amounts permitted by the bidding document and sub-contractors meet all applicable requirements?	
	Acceptable delivery terms and schedule which meets the schedule contained in the description of requirements or has only minor delays which are acceptable to the procuring entity?	

GUIDANCE: DETAILED EVALUATION FOR WORKS

The table below lists examples of issues typically checked during the detailed evaluation of bids for works. Note that these are examples only and the list is not exhaustive; the detailed evaluation will always be determined by the technical and commercial requirements of the bidding document issued.

DETAILED EVALUATION FOR WORKS		
1.	Acceptance of key contract conditions, such as payment, insurance, dispute resolution and liability or inclusion of only minor deviations which are acceptable to the procuring entity and can be quantified in the evaluation?	
2.	Suitability of the bidder's key staff (e.g. site supervisors or those holding key skills), taking into account their qualifications and experience?	
3.	Any sub-contracting is within the amounts permitted by the bidding document and sub-contractors meet all applicable requirements? Acceptance of any nominated subcontractors?	
4.	Compliance with applicable Regulations, such as those concerning labour?	
5.	Acceptable completion date (or dates for staged completion) which meets the completion schedule contained in the description of requirements or has only minor delays which are acceptable to the procuring entity?	

GUIDANCE: DETAILED EVALUATION FOR NON-CONSULTANCY SERVICES

The table below lists examples of issues typically checked during the detailed evaluation of bids for non-consultancy services. Note that these are examples only and the list is not exhaustive; the detailed evaluation will always be determined by the technical and commercial requirements of the bidding document issued.

DETAILED EVALUATION FOR NON-CONSULTANCY SERVICES		
1.	Acceptance of key contract conditions, such as payment, insurance, dispute resolution and liability or inclusion of only minor deviations which are acceptable to the procuring entity and can be quantified in the evaluation?	
2.	Suitability of the bidder's key staff (e.g. site supervisors or those holding key skills), taking into account their qualifications and experience?	
3.	Compliance with applicable Regulations, such as those concerning labour?	
4.	Acceptable work schedule or completion date?	
5.	Any sub-contracting is within the amounts permitted by the bidding document and sub-contractors meet all applicable requirements?	

MODULE 6.3: FINANCIAL EVALUATION

1. OBJECTIVE

The financial evaluation will include all bids evaluated as substantially responsive following the detailed evaluation. The financial evaluation:



reviews the prices submitted in bids;



applies the evaluation criteria and methodology detailed in the bidding document to identify the bid which should be recommended for award.

The bidding document will specify whether contract award will be to:

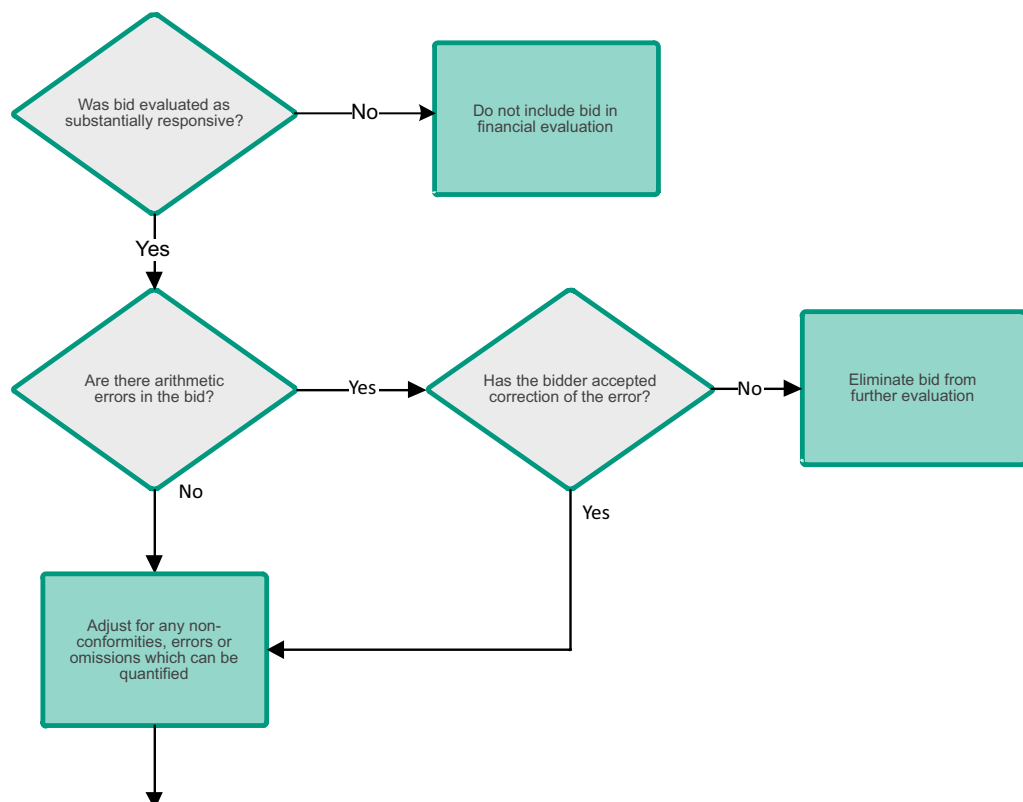
- the lowest bid which is substantially responsive to the requirements of the bidding document following application of any price and non-price criteria; or
- the most economically advantageous tender.

Refer to Sections 50-51 and 55 of the Act and Sections 30-31 of the Regulations.

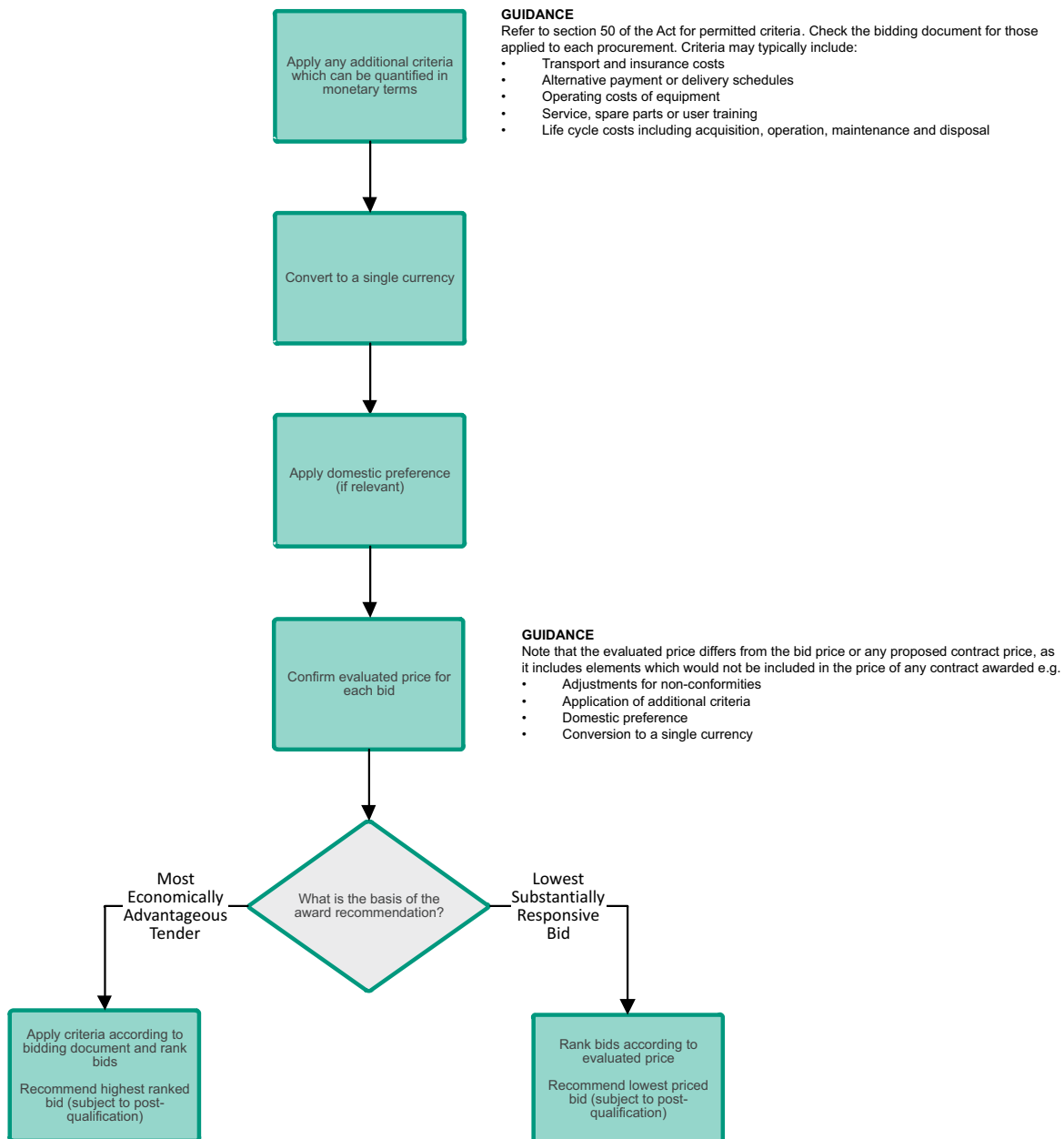
1. STEP-BY-STEP INSTRUCTIONS: FINANCIAL EVALUATION

The following flowchart shows the process for conducting a financial evaluation.

Figure 26 – Financial Evaluation



ZIMBABWE PUBLIC PROCUREMENT GUIDELINES
MODULE 6: EVALUATION PROCEDURES FOR GOODS, WORKS AND NON-CONSULTANCY SERVICES



MODULE 6.4: POST-QUALIFICATION

OBJECTIVE:

Post-qualification is used to assess whether the recommended bidder has appropriate technical competence, capability and experience, as well as necessary resources, equipment, facilities or personnel to perform a contract satisfactorily, prior to confirming an award of contract.

Post-qualification is approached in one of the two following ways:

- Where a pre-qualification exercise was conducted, the recommended bidder's qualification information will simply be checked to identify whether there have been any material changes which would affect its ability to perform the contract satisfactorily. This is normally done by means of a statement from the bidder as to whether any qualification information has changed.
- Where no pre-qualification was conducted, the recommended bidder's qualification documents should be contained in its bid and must be thoroughly assessed against the qualification criteria specified in the bidding document.

Refer to Section 28 of the Act and Section 30(5)-(6) of the Regulations.

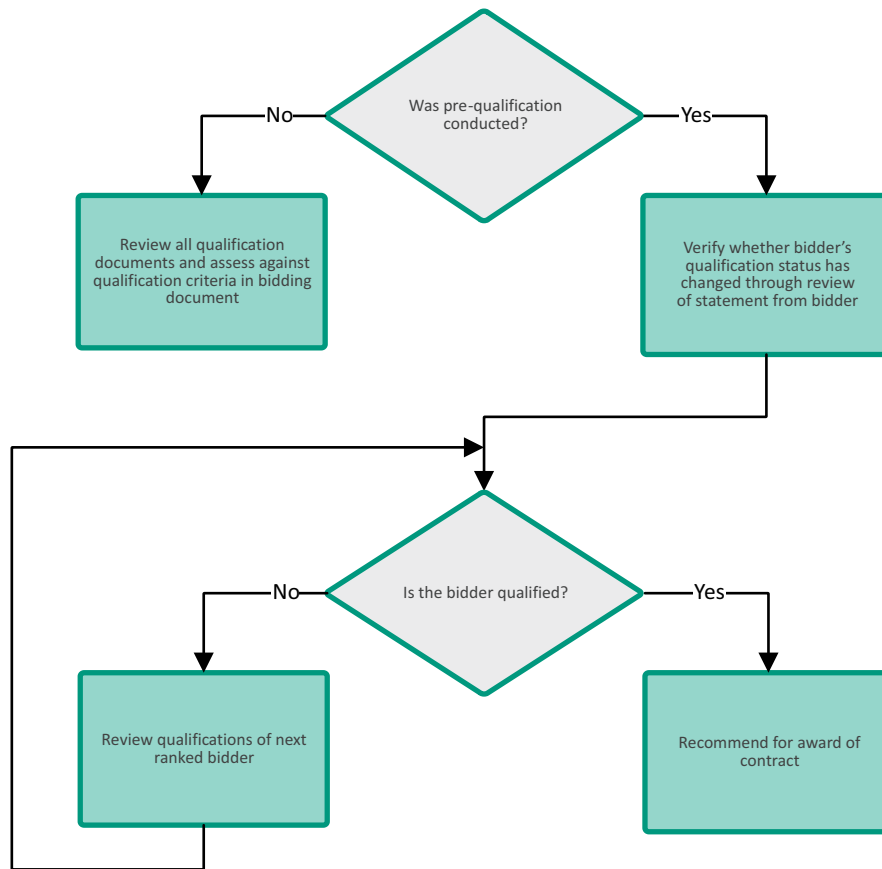
See module 5.2 on pre-qualification for further guidance on preparing qualification criteria.

Note that post-qualification is normally only required under competitive or restricted bidding and would not normally be necessary for low value procurement under the Request for Quotations method.

STEP-BY-STEP INSTRUCTIONS: POST-QUALIFICATION

The following flowchart shows the process for conducting post-qualification.

Figure 27 - Post qualification



MODULE 6.5: EVALUATION UNDER TWO-STAGE BIDDING

OBJECTIVE:

Two-stage bidding is used for goods, works or services which are difficult to define fully at the start of the procurement process, where it would be beneficial to the PE to consider the various solutions available, before refining its requirements e.g. an area of advanced technology where product capabilities and design change exponentially.

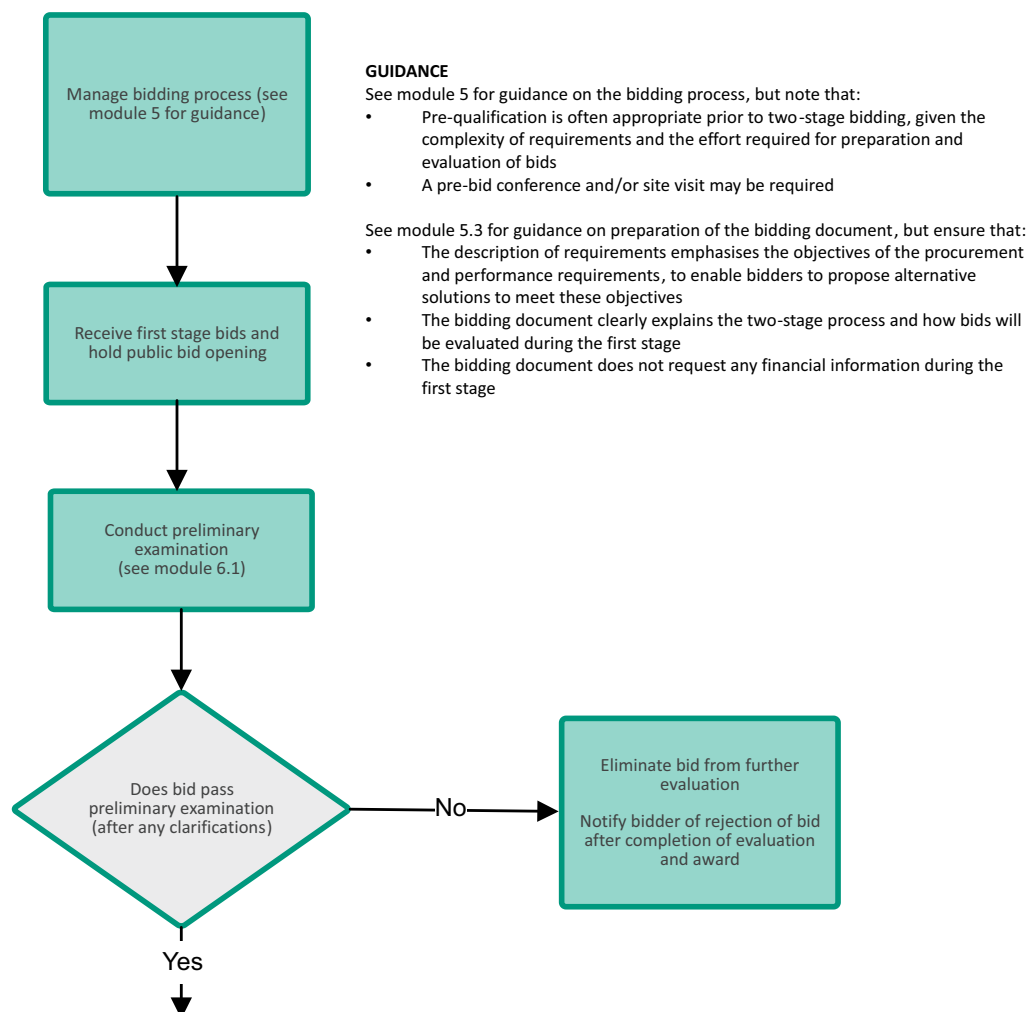
Refer to Section 31(2) of the Act and Section 13 of the Regulations.

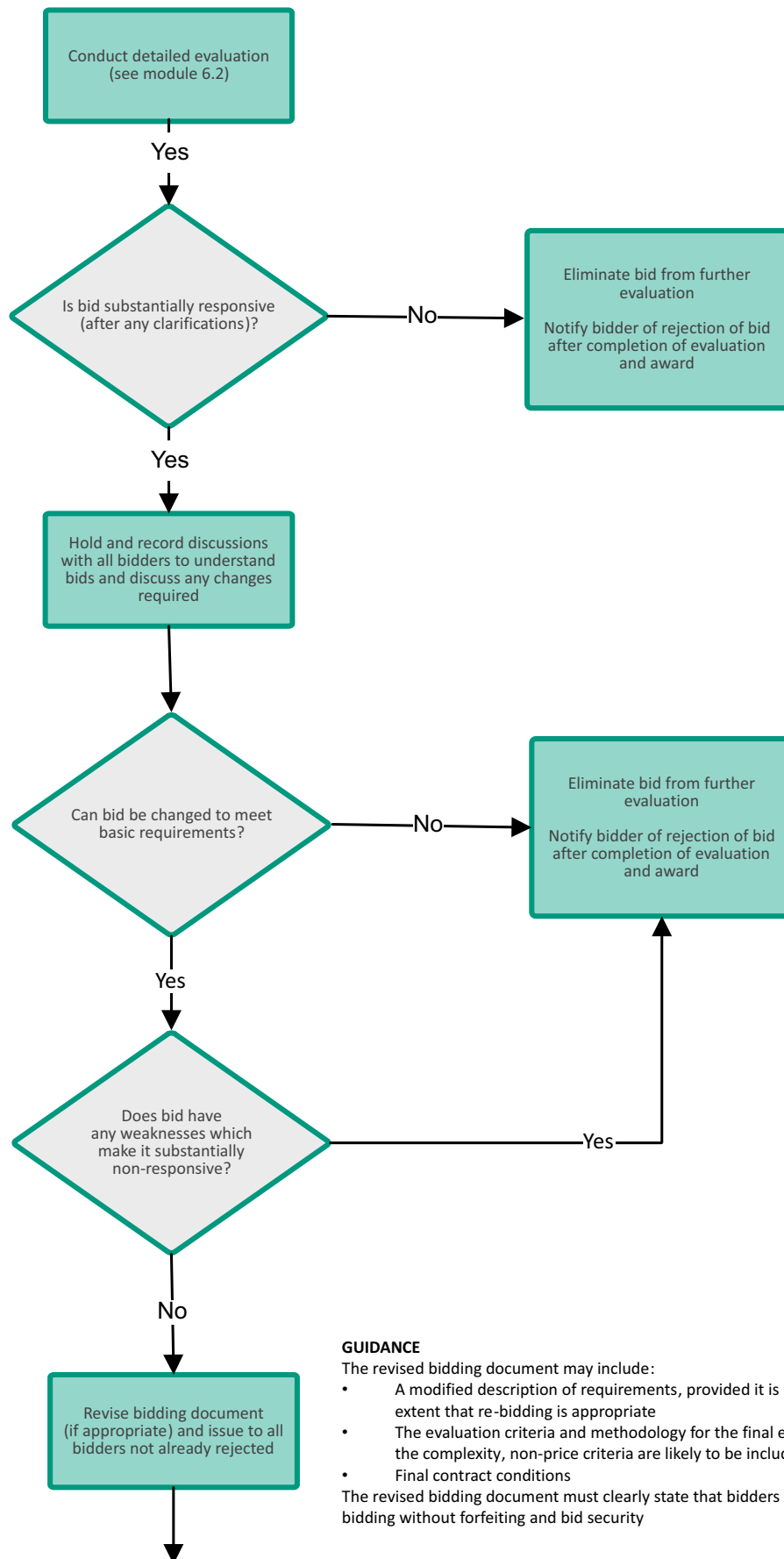
This module provides additional guidance on two stage competitive bidding. However please note that many parts of the bidding and evaluation process are the same as for single-stage competitive bidding; therefore the rest of modules 5 and 6 on bidding and evaluation applies, except where specifically changed in this module.

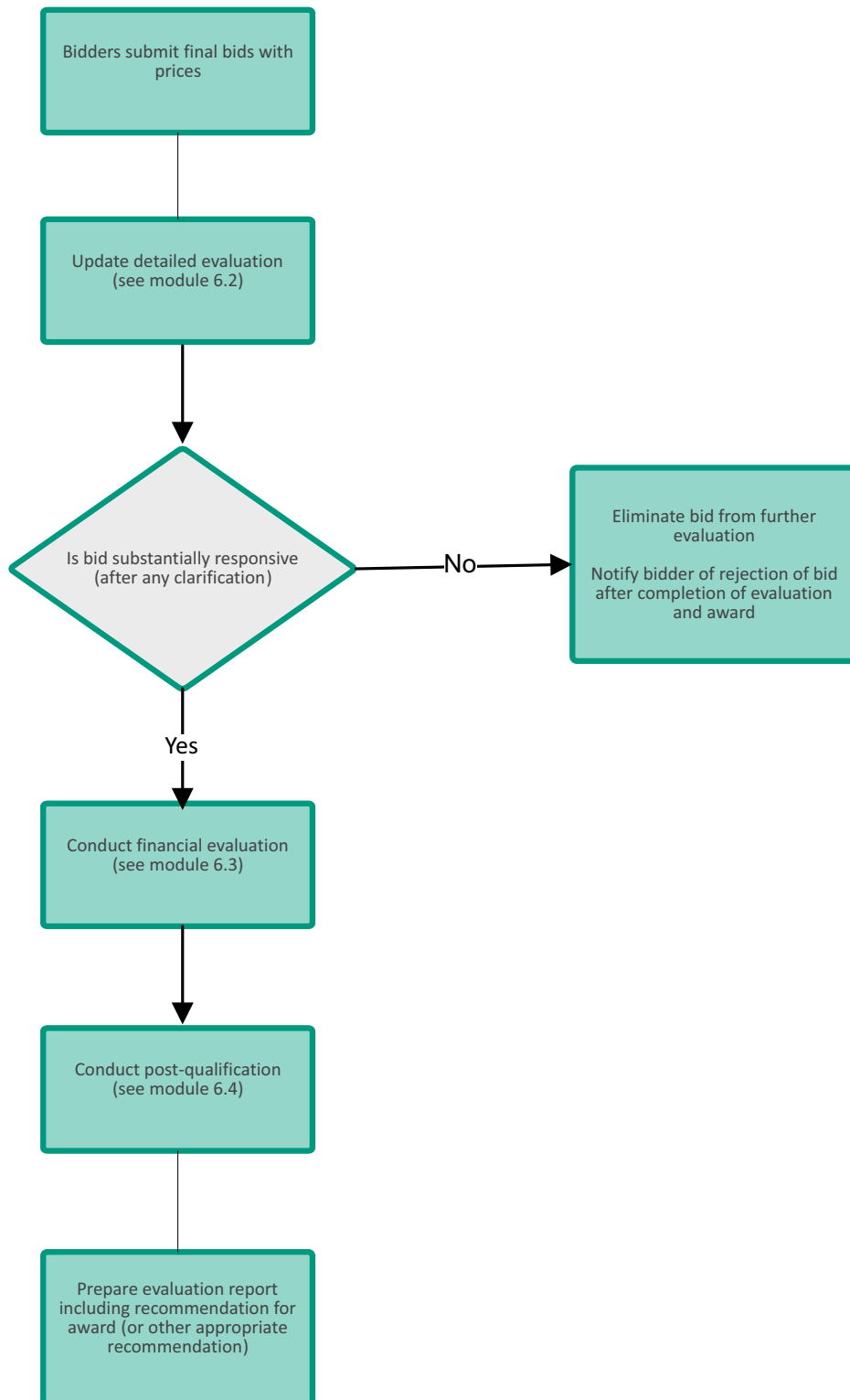
STEP-BY-STEP INSTRUCTIONS:

The following flowchart provides an overview of procedures for two-stage bidding.

Figure 28 - procedures under two stage bidding







MODULE 7. EVALUATION PROCEDURES FOR CONSULTANCY SERVICES

MODULE 7.1: DETERMINING THE SELECTION METHOD

1. OBJECTIVE

The objective of this procedure is to determine the most appropriate method of selection for each requirement for consultancy services in accordance with Section 59 of the Act.

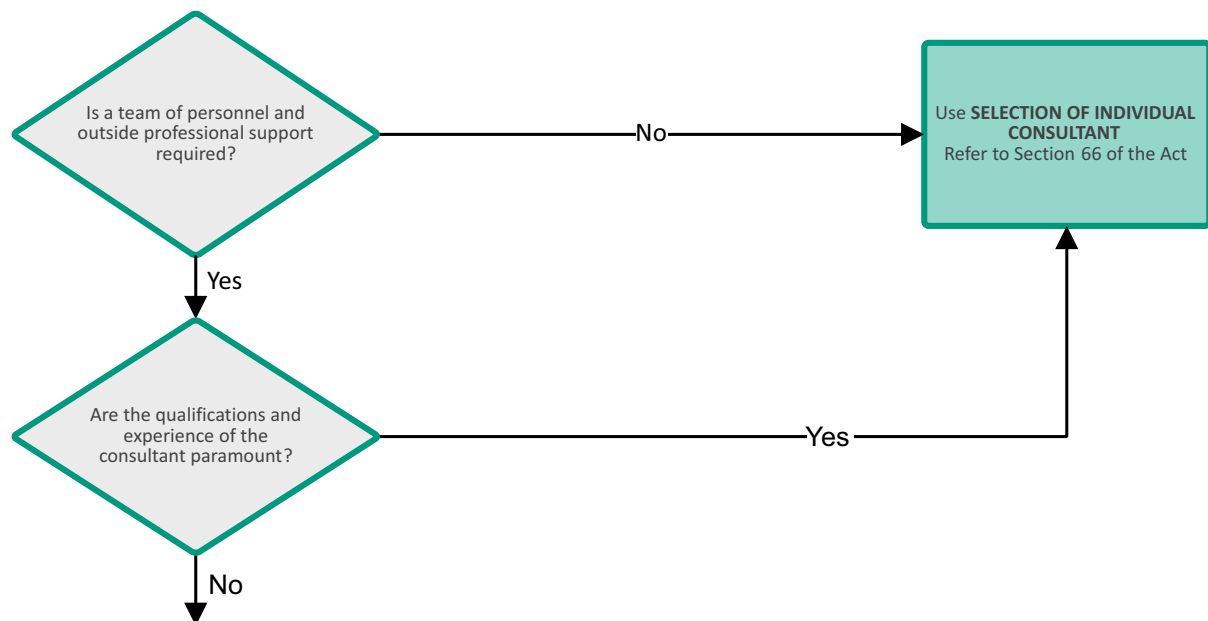
Refer to Section 59 of the Act.

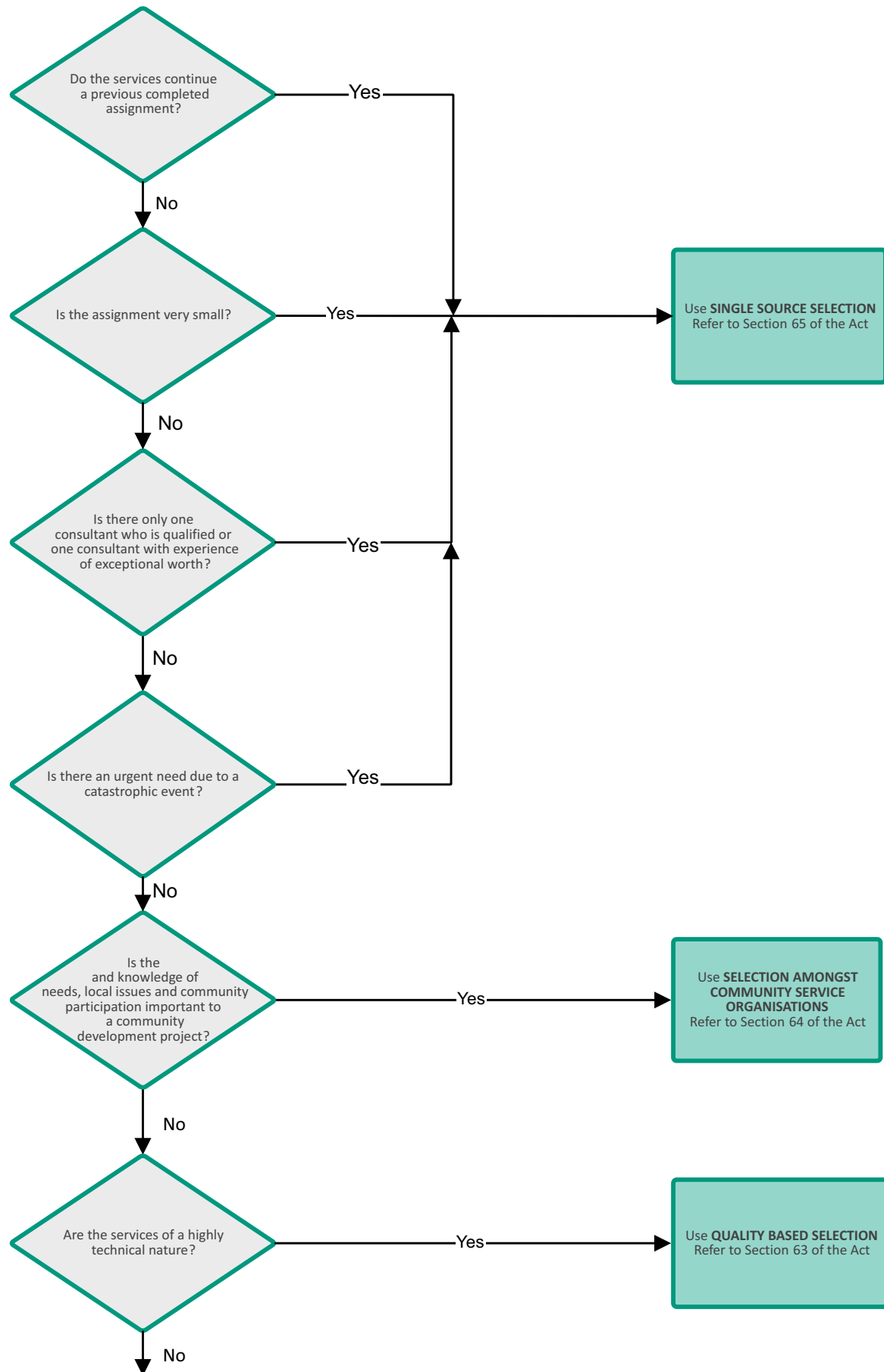
STEP-BY-STEP INSTRUCTIONS: DETERMINING METHOD OF SELECTION

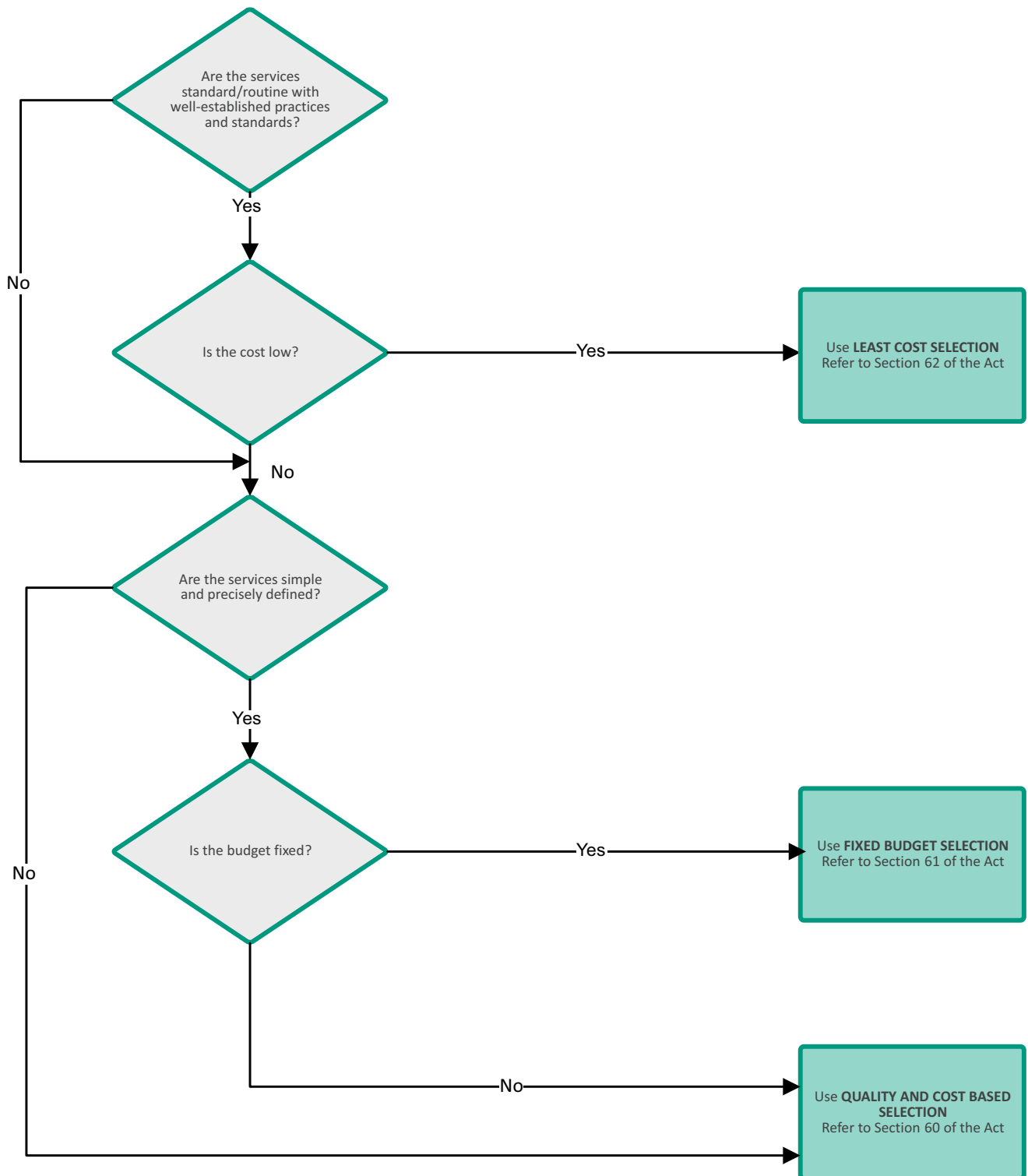
The following flowchart shows the decision process for selecting the appropriate method of selection for consultancy services. Procuring entities should refer to Section 59 of the Act for precise definition of conditions for use of each method. Note that justification is required for the use of any method other than quality and cost based selection.

This decision should be taken as part of the procurement planning process; see module 2 for further details. The decision should be reviewed prior to initiating procurement; see module 4 for further details.

Figure 29 - Determining the method of selection







SUMMARY OF MAIN SELECTION METHODS

The table below provides a summary of the evaluation methodology for the main selection methods. Note that each selection method requires different information on evaluation criteria, thresholds and/or budgets to be included in the RFP document; refer to the standard RFP document issued by the Authority for guidance on what to include.

Table 8 - Selection Methods for Consulting Services

METHOD	PURPOSE	SUMMARY OF EVALUATION METHODOLOGY	RECOMMENDED BID
Quality and Cost Based Selection (QCBS)	To determine the bid which offers the best overall value to the PE, taking into account both the quality and the price of proposals. The preferred method of selection.	Preliminary examination: to eliminate proposals which do not comply with the basic requirements of the RFP document and bidders who do not meet eligibility requirements.	Bid with the highest total score.
		Technical evaluation: <ul style="list-style-type: none"> to assess the technical quality of proposals using a merit point system and award technical scores to each bid; to compare bids to the minimum technical thresholds and eliminate those which do not meet the threshold; to identify those meeting the threshold and invite them for financial opening. 	
		Financial evaluation: <ul style="list-style-type: none"> to financially evaluate bids; to award financial scores with the lowest priced bid receiving 100 and other bids receiving financial scores inversely proportional to their prices; to weight technical and financial scores to give a total score for each proposal and to rank bids by total score. 	
Fixed Budget Selection (FBS)	To determine the highest quality bid, which is within the PE's budget.	Preliminary examination: to eliminate proposals which do not comply with the basic requirements of the RFP document and bidders who do not meet eligibility requirements.	Bid with the highest technical score which is within the budget.
		Technical evaluation: <ul style="list-style-type: none"> to assess the technical quality of proposals using a merit point system and award technical scores to each bid; to compare bids to the minimum technical thresholds and eliminate those which do not meet the threshold; to identify those meeting the threshold and invite them for financial opening. 	
		Financial evaluation: <ul style="list-style-type: none"> to financially evaluate bids; 	

ZIMBABWE PUBLIC PROCUREMENT GUIDELINES
MODULE 7: EVALUATION PROCEDURES FOR CONSULTANCY SERVICES

METHOD	PURPOSE	SUMMARY OF EVALUATION METHODOLOGY	RECOMMENDED BID
		<ul style="list-style-type: none"> to compare bids to the budget specified in the RFP and eliminate those which exceed the budget; to rank all bids within the budget by technical score. 	
Least Cost Selection (LCS)	To determine the lowest priced bid, which meets the minimum quality standard set by the PE.	Preliminary examination: to eliminate proposals which do not comply with the basic requirements of the RFP document and bidders who do not meet eligibility requirements.	Bid with the lowest evaluated price which meets the technical threshold.
		Technical evaluation: <ul style="list-style-type: none"> to assess the technical quality of proposals using a merit point system and award technical scores to each bid; to compare bids to the minimum technical thresholds and eliminate those which do not meet the threshold; to identify those meeting the threshold and invite them for financial opening. 	
		Financial evaluation: <ul style="list-style-type: none"> to financially evaluate bids; to rank all bids by evaluated price. 	
Quality Based Selection (QBS)	To determine the highest quality bid, without reference to price.	Preliminary examination: to eliminate proposals which do not comply with the basic requirements of the RFP document and bidders who do not meet eligibility requirements.	Bid with the highest technical score.
		Technical evaluation: <ul style="list-style-type: none"> to assess the technical quality of proposals using a merit point system, award technical scores to each bid and rank bids by technical score to identify the highest scoring bid and invite the bidder for financial opening. 	
		Financial evaluation: <ul style="list-style-type: none"> to financially evaluate the bid; to assess value for money and prepare for negotiations. 	
Selection amongst Community Service Organisations (SCSO)	To determine the bid which offers the best overall value to the PE, taking into account both the quality and the price of proposals. The evaluation follows the same process as QCBS, but the shortlist will consist only or mostly of community service organisations and technical evaluation criteria will reflect community needs.	Preliminary examination: to eliminate proposals which do not comply with the basic requirements of the RFP document and bidders who do not meet eligibility requirements.	Bid with the highest total score.
		Technical evaluation: <ul style="list-style-type: none"> to assess the technical quality of proposals using a merit point system and award technical scores to each bid; 	

ZIMBABWE PUBLIC PROCUREMENT GUIDELINES
MODULE 7: EVALUATION PROCEDURES FOR CONSULTANCY SERVICES

METHOD	PURPOSE	SUMMARY OF EVALUATION METHODOLOGY	RECOMMENDED BID
		<ul style="list-style-type: none"> to compare bids to the minimum technical thresholds and eliminate those which do not meet the threshold; to identify those meeting the threshold and invite them for financial opening. 	
		Financial evaluation: <ul style="list-style-type: none"> to financially evaluate bids; to award financial scores with the lowest priced bid receiving 100 and other bids receiving financial scores inversely proportional to their prices; to weight technical and financial scores to give a total score for each proposal and to rank bids by total score. 	

MODULE 7.2: EVALUATION UNDER THE MAIN SELECTION METHODS

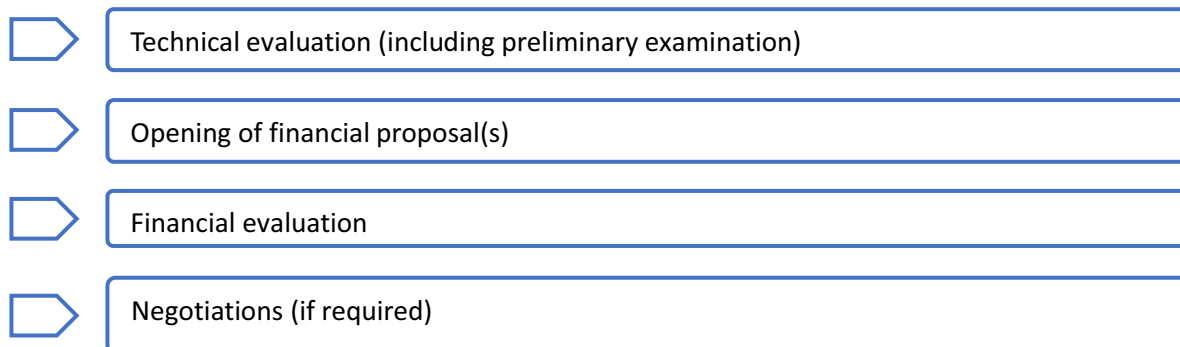
1. OBJECTIVE

The objective of this module is to provide guidance on the practical application of each of the main selection methods for consultancy services.

Refer to Sections 60-64 of the Act.

1. SUMMARY OF EVALUATION PROCEDURES

Evaluation processes for consultancy services differ according to the selection method used. However, all the main selection methods follow the same steps of:

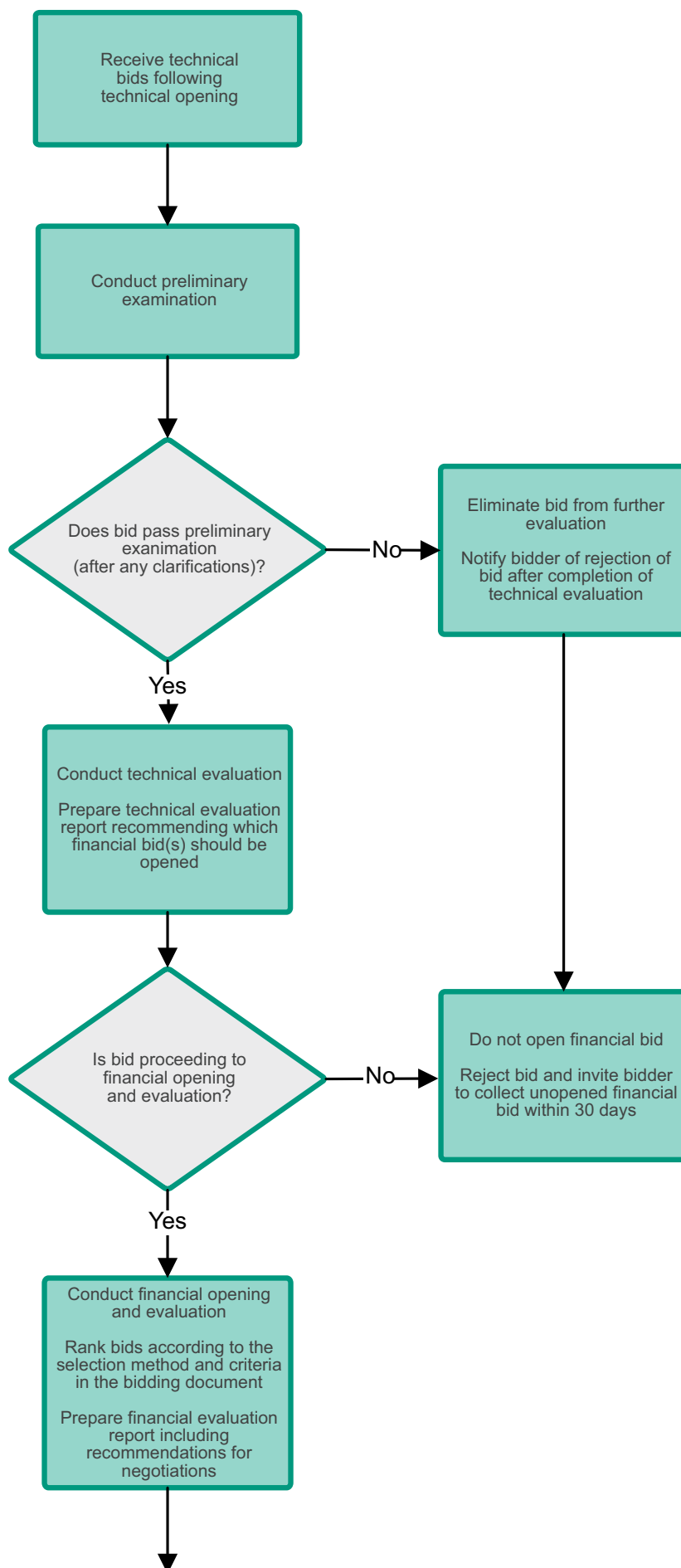


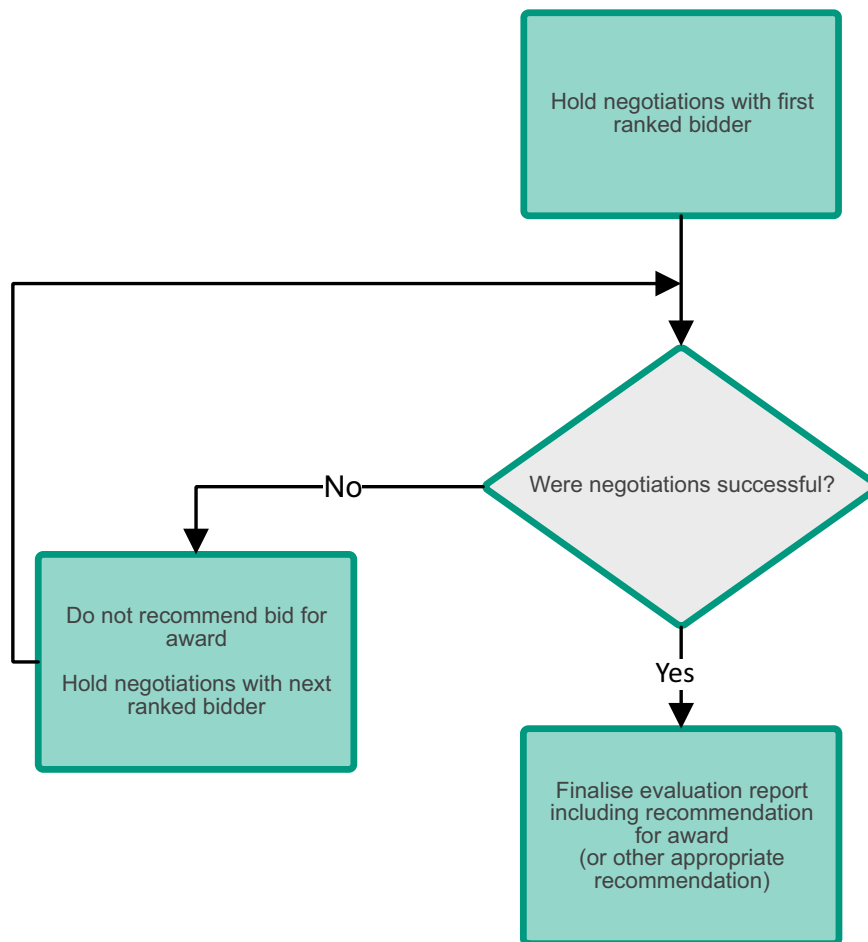
The proposals proceeding to financial opening and evaluation will depend on the selection method and results of the technical evaluation. Both technical and financial evaluation reports should be prepared using the standard templates issued by the Authority. These contain guidance notes on their completion.

The single-source selection and selection of individual consultant methods do not follow this process, but require only an assessment of whether the bid is responsive to the terms of reference issued, prior to negotiating a contract. See module 7.3 for further guidance on use of these selection methods.

The following flowchart provides an overview of the evaluation process for consultancy services. Subsequent sections provide detailed guidance on the use of QCBS and SCSO, FBS, LCS and QBS.

Figure 30 – Overview of Evaluation Process: Consultancy





Refer to module 6, section 2 for guidance on who conducts the evaluation.

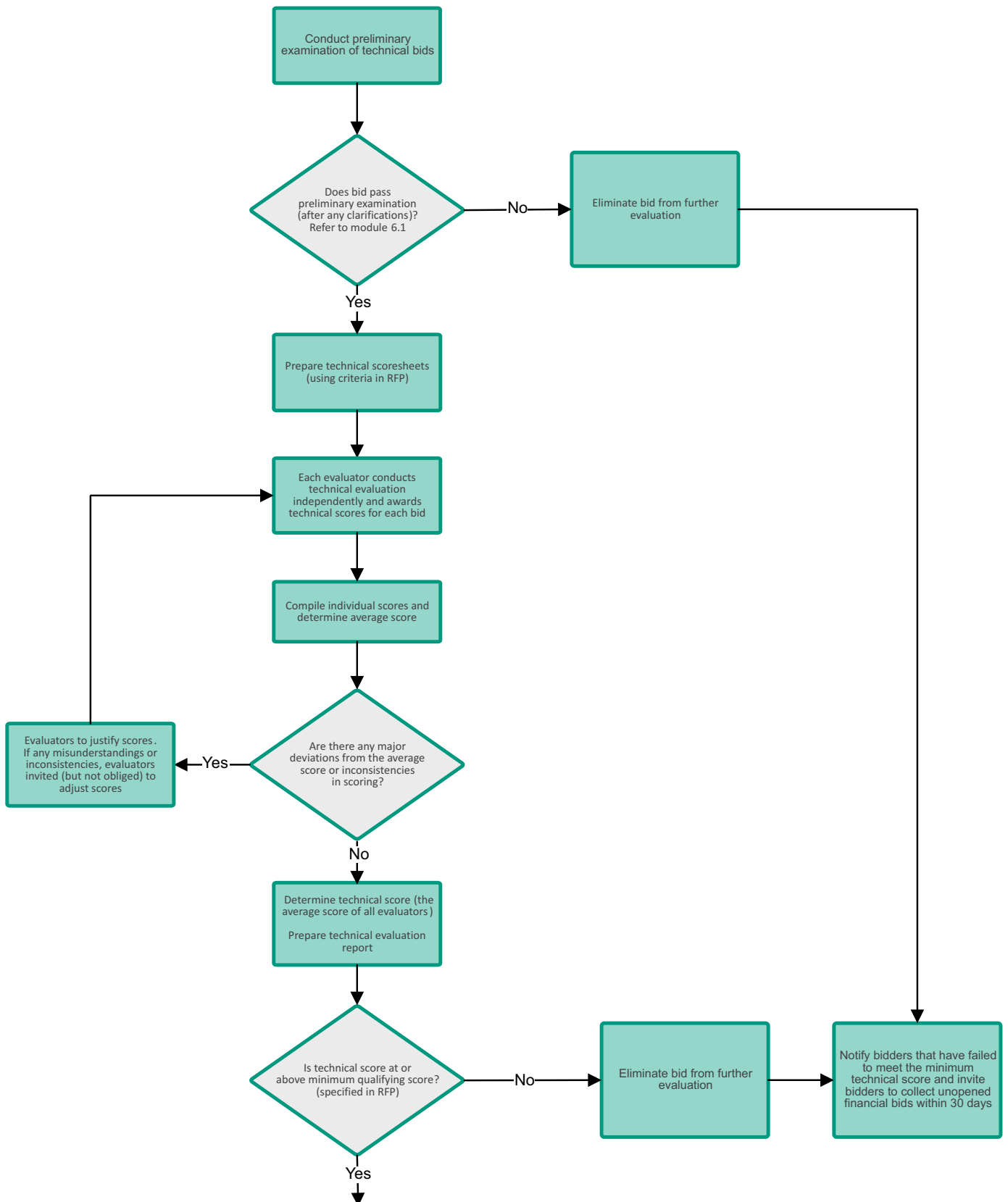
Refer to module 6.1 for guidance on how to conduct a preliminary examination; this process will be the same for consultancy services as for goods, works and non-consultancy services, with the exception that:

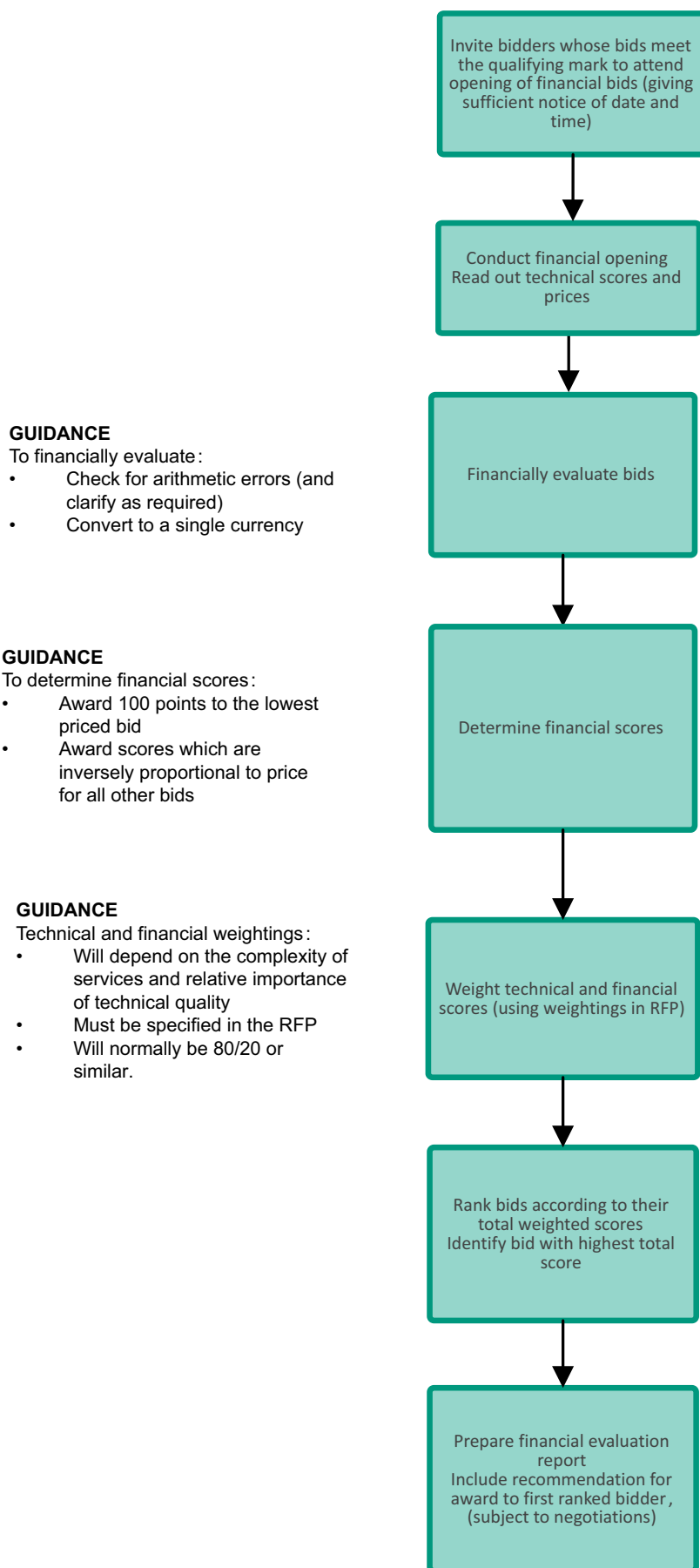
- bids cannot be reviewed for arithmetic errors at this stage as financial bids remain unopened; this will be checked at the financial evaluation stage.
- bidders' eligibility will not need to be checked if already verified as part of the shortlisting process.

STEP-BY-STEP INSTRUCTIONS: EVALUATION USING QUALITY AND COST BASED SELECTION AND SELECTION AMONGST COMMUNITY SERVICE ORGANISATIONS

The following flowchart shows the complete evaluation process when using QCBS or SCSO.

Figure 31 - Evaluation Using Quality and Cost Based Selection (QCBS) or Selection amongst Community Service Organisations (SCSO)

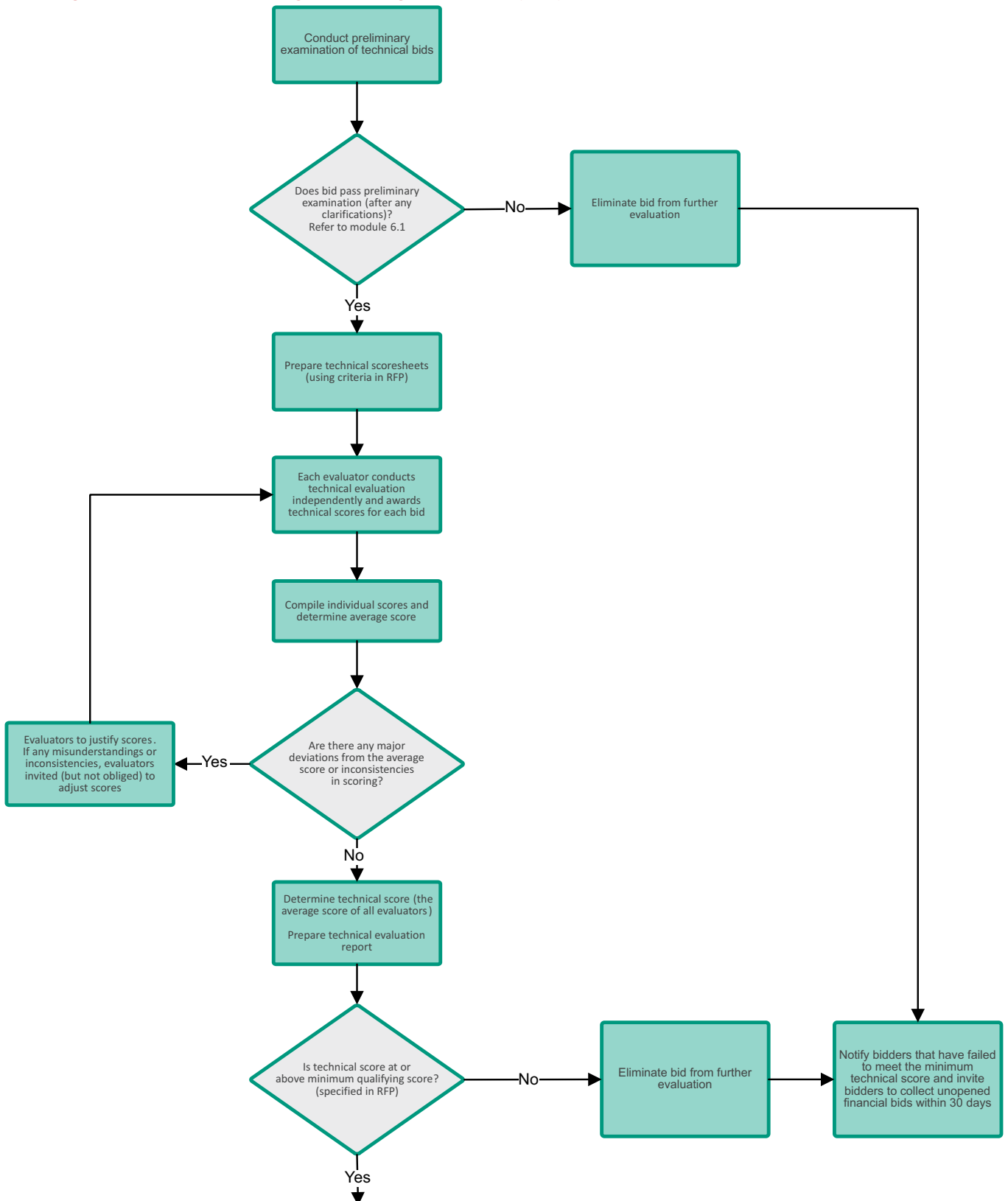




STEP-BY-STEP INSTRUCTIONS: EVALUATION USING FIXED BUDGET SELECTION

The following flowchart shows the complete evaluation process when using FBS.

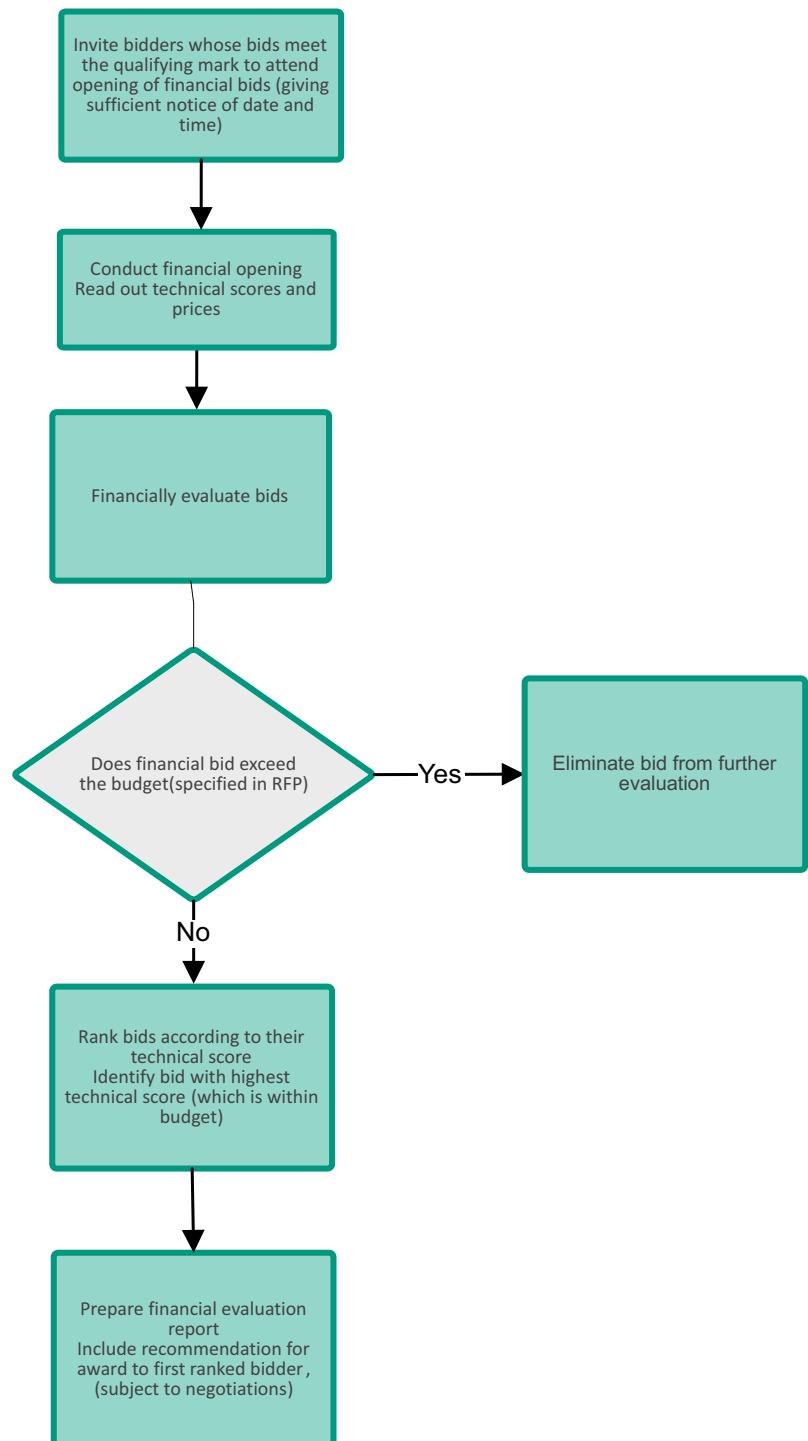
Figure 32 - Evaluation Using Fixed Budget Selection (FBS)



GUIDANCE

To financially evaluate :

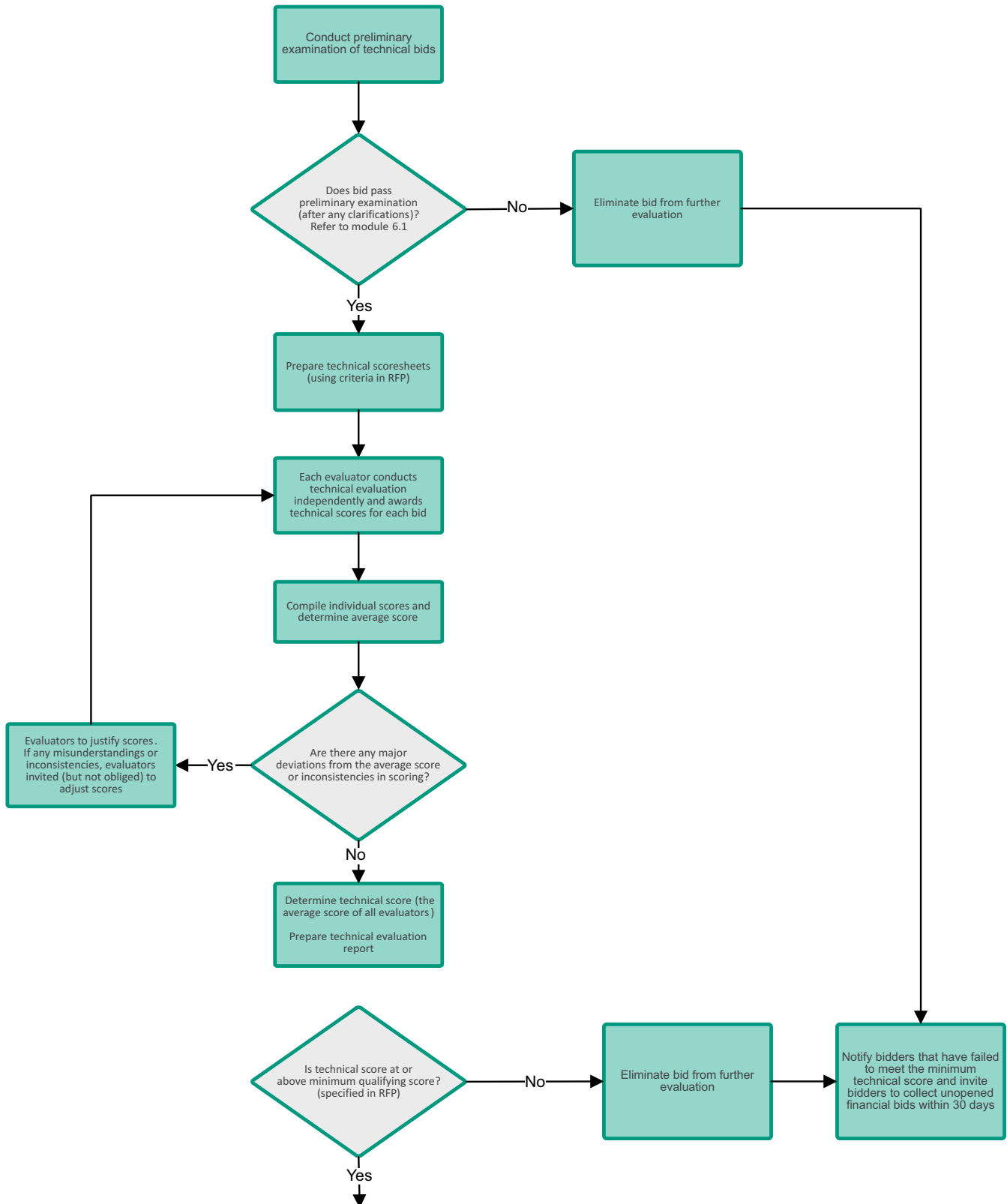
- Check for arithmetic errors (and clarify as required)
- Convert to a single currency

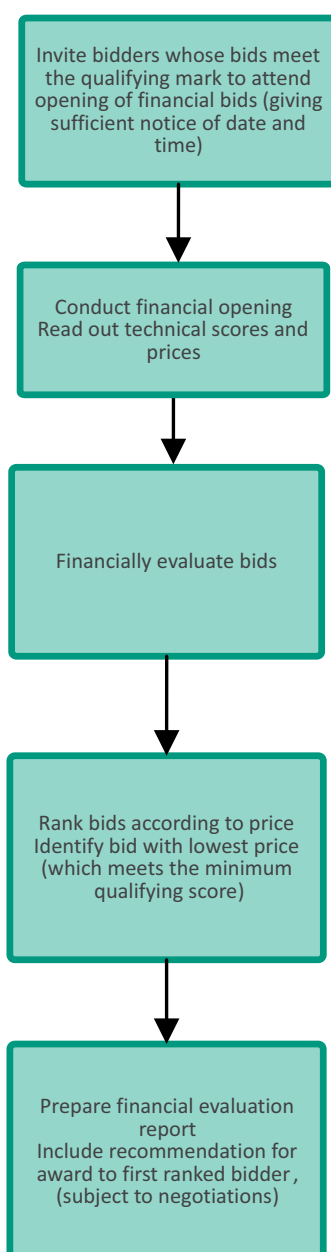


STEP-BY-STEP INSTRUCTIONS: EVALUATION USING LEAST COST SELECTION

The following flowchart shows the complete evaluation process when using LCS.

Figure 33 - Evaluation Using Least Cost Selection (LCS)





GUIDANCE

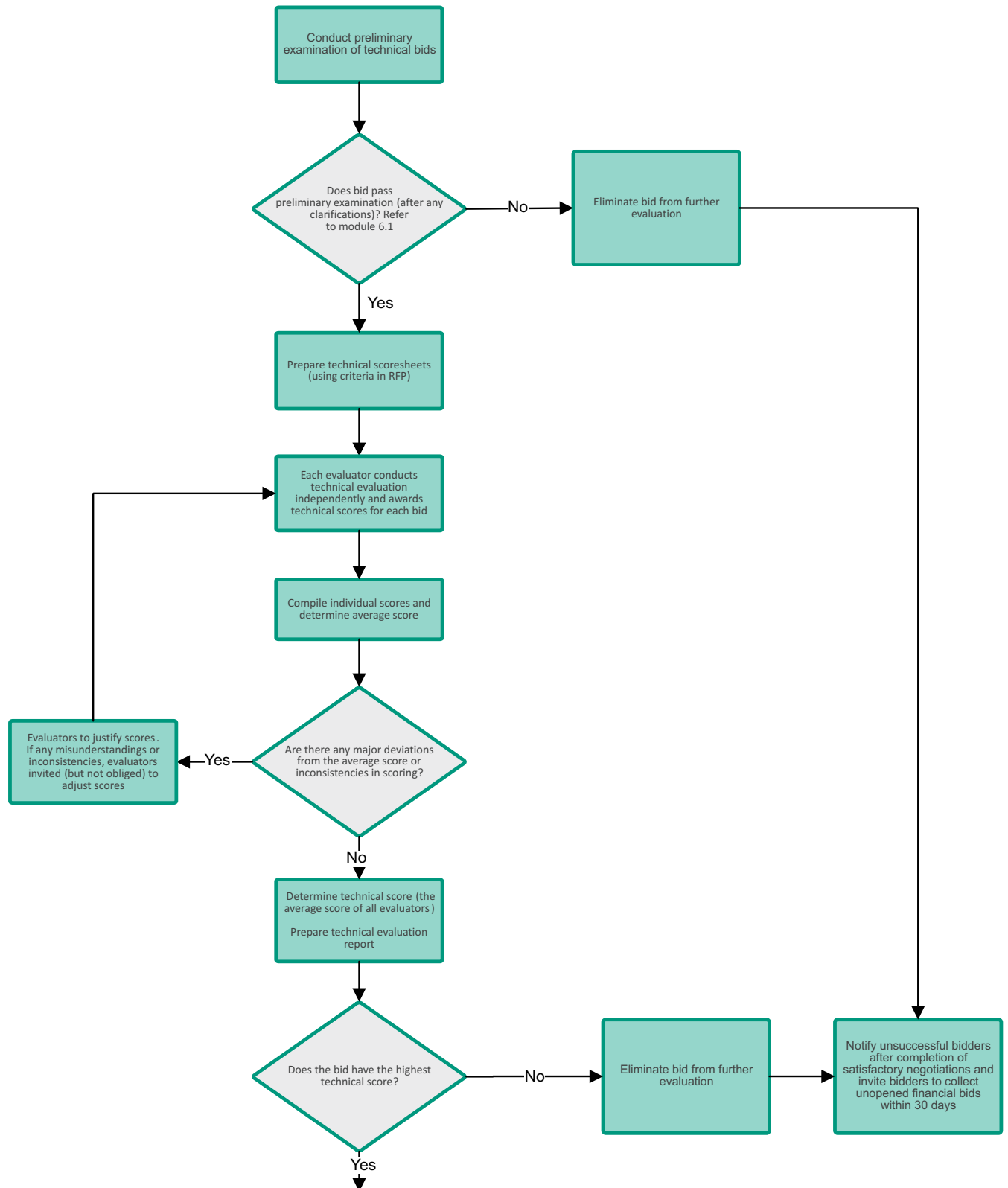
To financially evaluate:

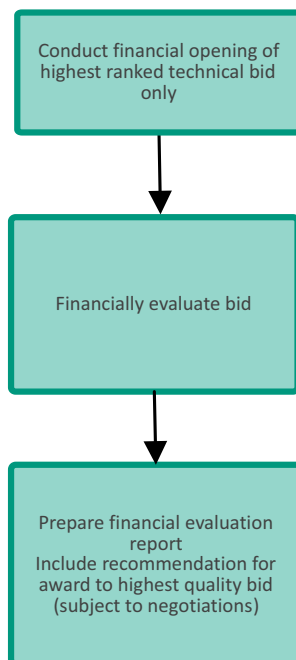
- Check for arithmetic errors (and clarify as required)
- Convert to a single currency

STEP-BY-STEP INSTRUCTIONS: EVALUATION USING QUALITY BASED SELECTION

The following flowchart shows the complete evaluation process when using QBS.

Figure 34 - Evaluation Using Quality Based Selection (QBS)





GUIDANCE

To financially evaluate:

- Check for arithmetic errors (and clarify as required)
- Assess value for money and prepare for negotiations

MODULE 7.3: EVALUATION UNDER SINGLE -SOURCE SELECTION AND SELECTION OF INDIVIDUAL CONSULTANTS

1. OBJECTIVE

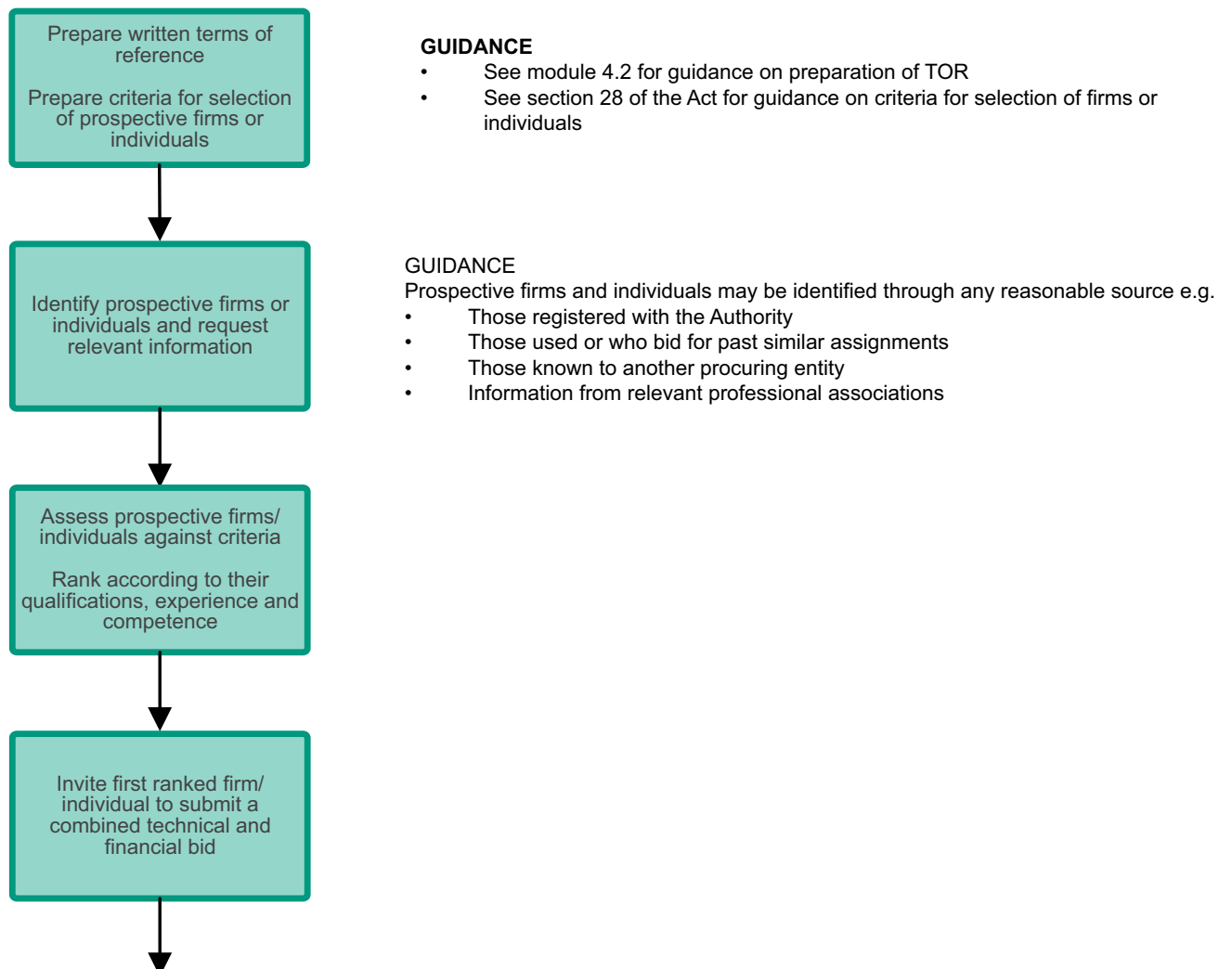
The objective of this module is to provide guidance on the use of single-source selection and selection of individual consultant methods.

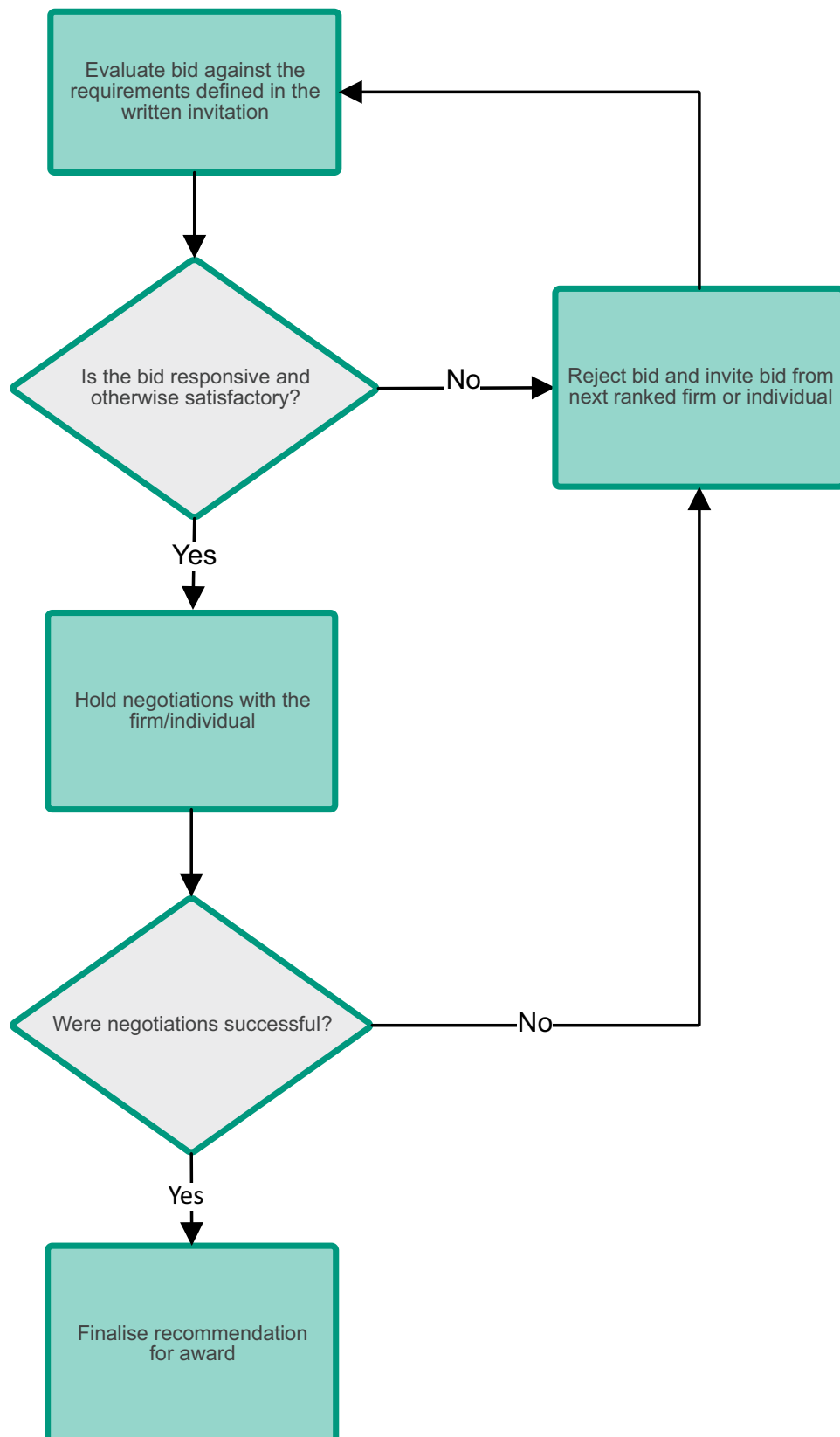
Refer to Sections 65-66 of the Act.

1. STEP-BY-STEP INSTRUCTIONS: PROCUREMENT USING SINGLE-SOURCE SELECTION AND SELECTION OF INDIVIDUAL CONSULTANT METHODS

The following flowchart shows the complete procurement process when using the single-source selection or selection of individual consultant methods.

Figure 35 – Evaluation Using Single source selection and Selection of individual consultant methods





MODULE 8. CONTRACT AWARD AND SIGNATURE

MODULE 8.1: CONTRACT AWARD PROCESS

1. OBJECTIVES

Contract award is an important process which must be handled correctly to ensure compliance with the Act. The contract award process is used to:



ensure that all required approvals take place prior to the procuring entity making a contractual commitment, including scrutiny by the Special Procurement Oversight Committee where required;



notify the successful bidder that the procuring entity intends to accept his bid and inform him of timescales for contract signature and related requirements such as performance securities;



notify other bidders that they were unsuccessful and provide them with the opportunity to request a debrief and/or file a challenge.

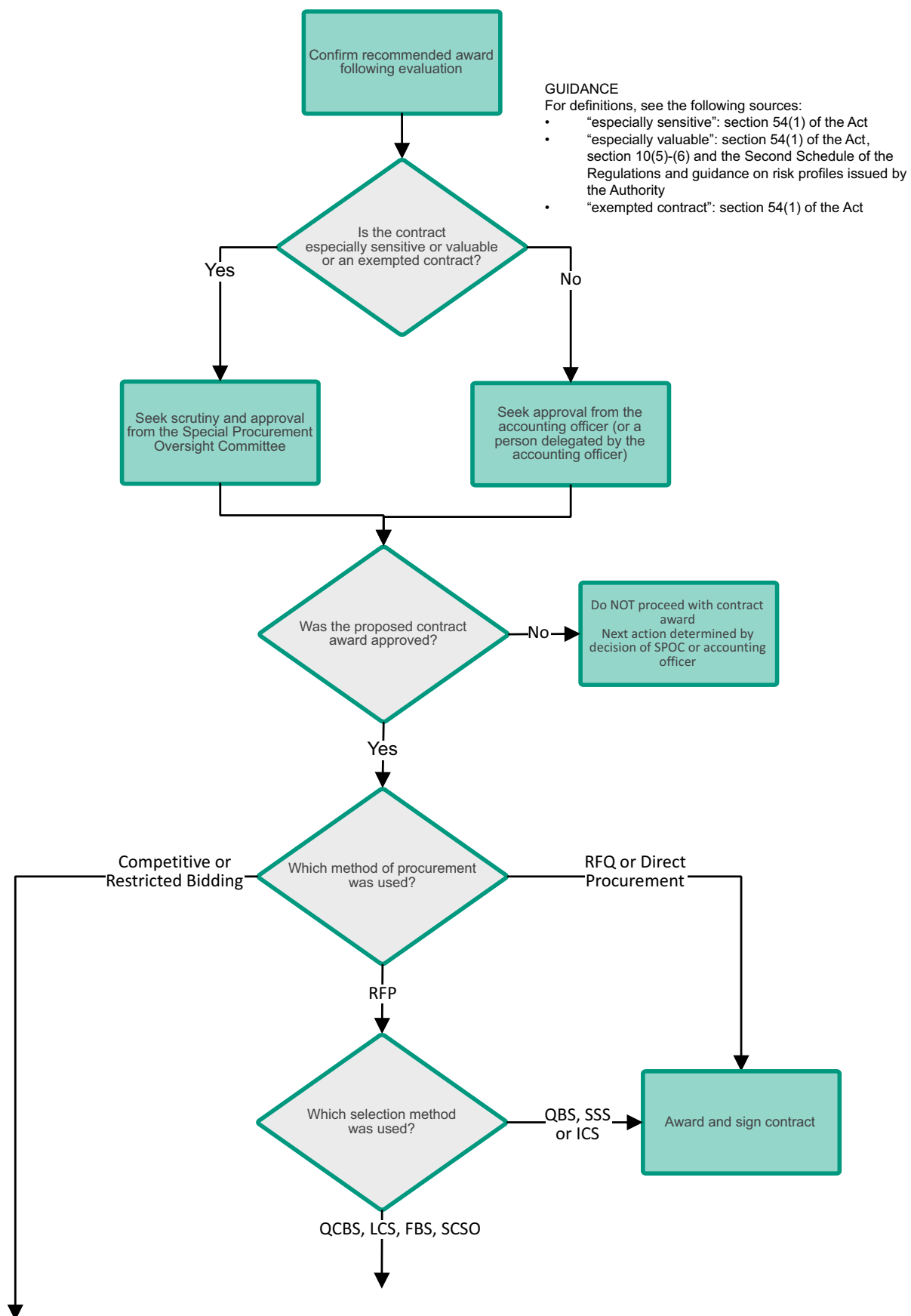
Note that the full procedures in this module apply to competitive and restricted bidding and to most selection methods under request for proposals. A simplified contract award process applies where request for quotations or direct procurement is used or where the request for proposals method uses the quality based selection, single-source selection or selection of individual consultant methods.

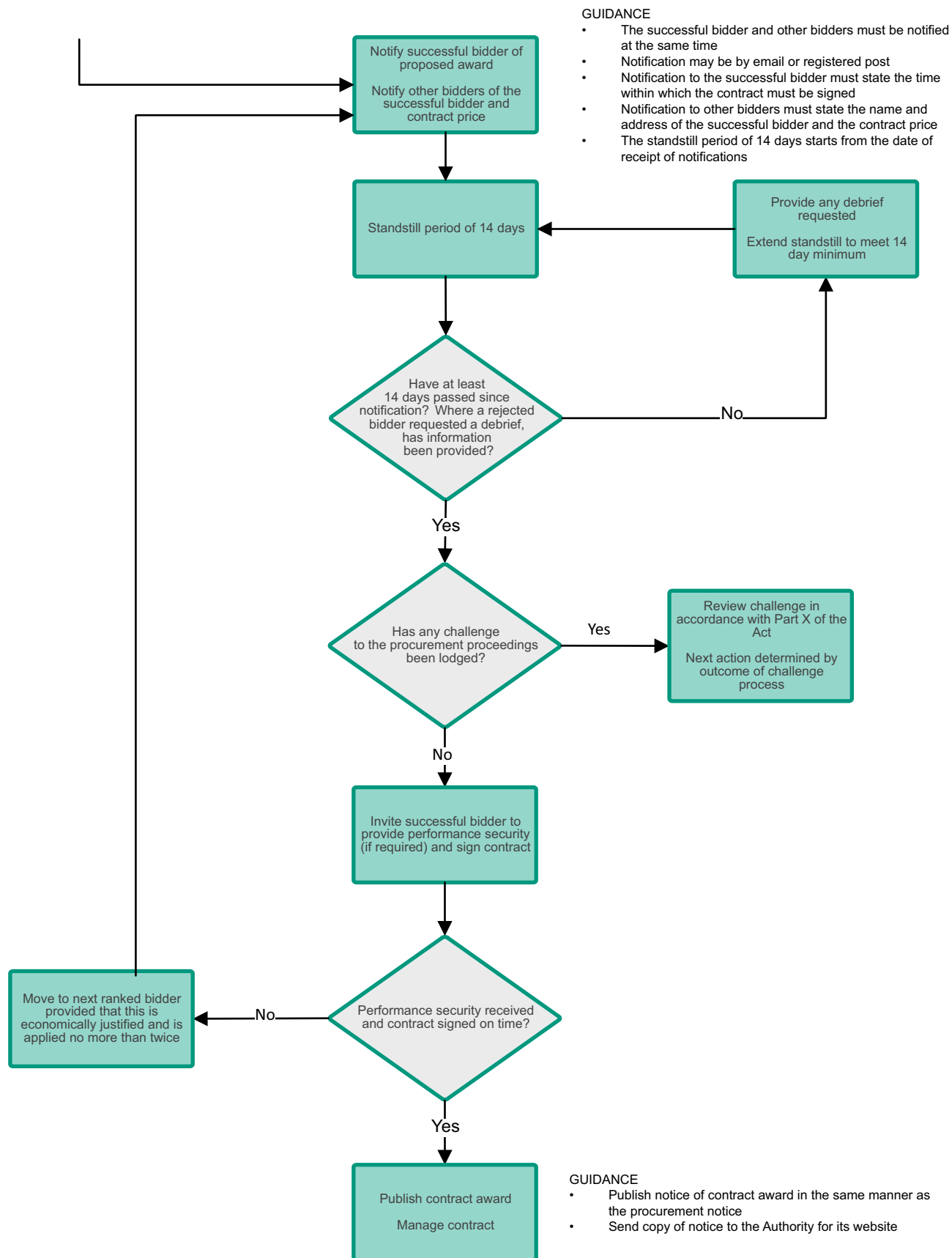
Refer to Section 55 and 60(13) of the Act and Section 33 of the Regulations.

STEP-BY-STEP INSTRUCTIONS –CONTRACT AWARD PROCESS

The following flowchart shows the contract award process for all methods of procurement, including simplified options where applicable.

Figure 36 - Contract Award Process





MODULE 8.2: CONTRACT PREPARATION AND SIGNATURE

1. OBJECTIVES

The preparation and signature of a written contract document is an important process which formalises the acceptance of a bid. Contract signature serves to conclude the procurement process and provide a basis for contract performance by the contractor and contract management by the procuring entity. A written contract document provides certainty for both parties to the contract by:



ensuring that all terms and conditions agreed during the procurement process are clearly written in a single document;



clearly setting out the obligations of each party such as delivery or performance, payment and warranty;



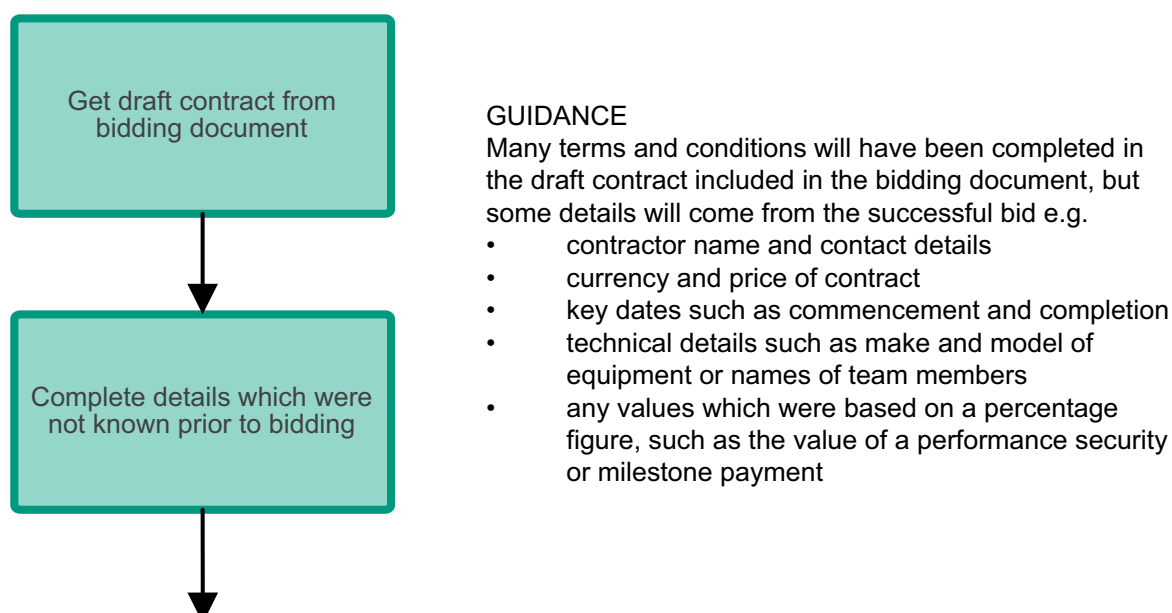
establishing processes for activities which may be required under the contract such as calculating changes in price, dealing with unforeseen events, settling disputes and confirming agreed amendments.

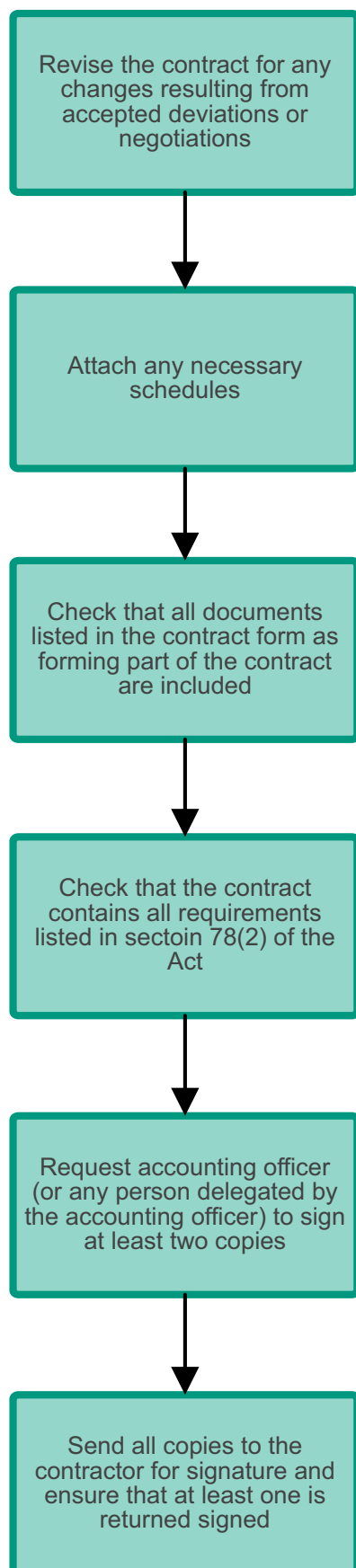
Refer to Part XI of the Act and Part IX of the Regulations.

1. STEP-BY-STEP INSTRUCTIONS – CONTRACT PREPARATION AND SIGNATURE PROCESS

The following flowchart shows the process for preparation and signature of the contract document.

Figure 37 - Contract Preparation and Signature





GUIDANCE

Schedules are often taken from, or based on, the successful bid e.g.

- Bill of Quantities or Activity Schedule
- price schedule
- delivery/performance schedule or workplan
- specifications and drawings
- lists of personnel

MODULE 9. CANCELLING PROCUREMENT PROCEEDINGS

1. OBJECTIVE

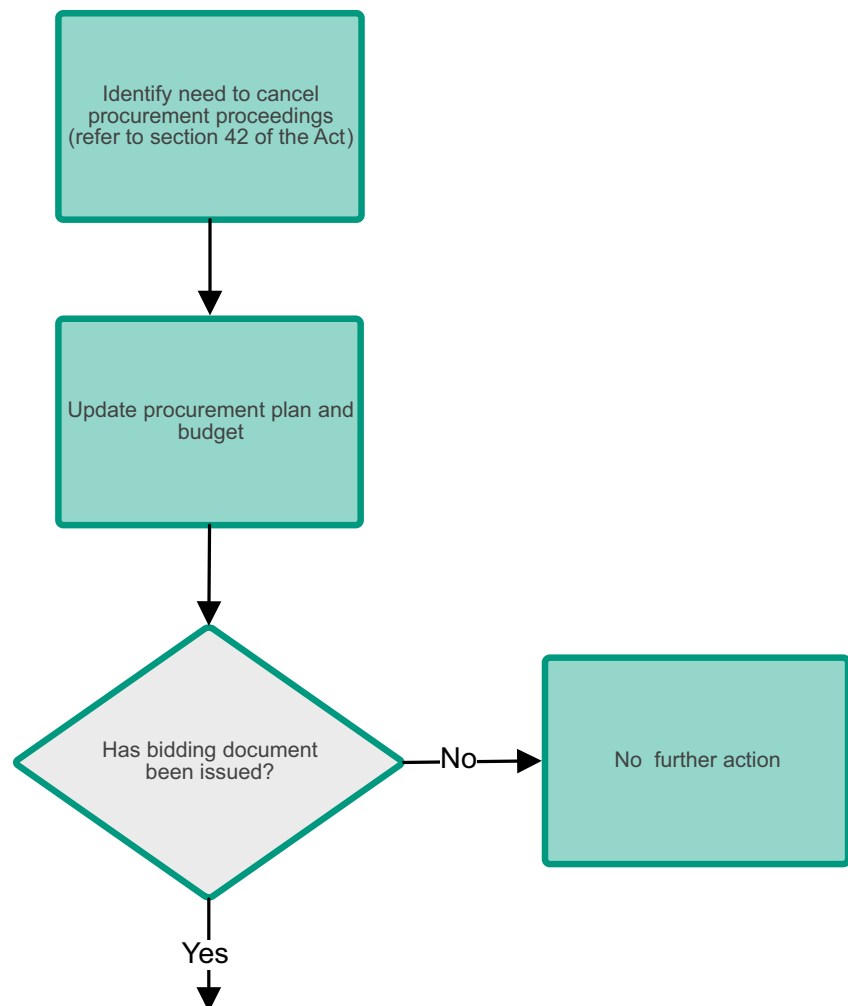
The cancellation of procurement proceedings should be avoided, wherever possible, as it results in wasted time and resources for both the procuring entity and bidders. Frequent cancellations may undermine confidence in public procurement, resulting in fewer competitive bids. However, procurement proceedings may be cancelled at any stage prior to the award of a contract in the circumstances listed in section 42 of the Act.

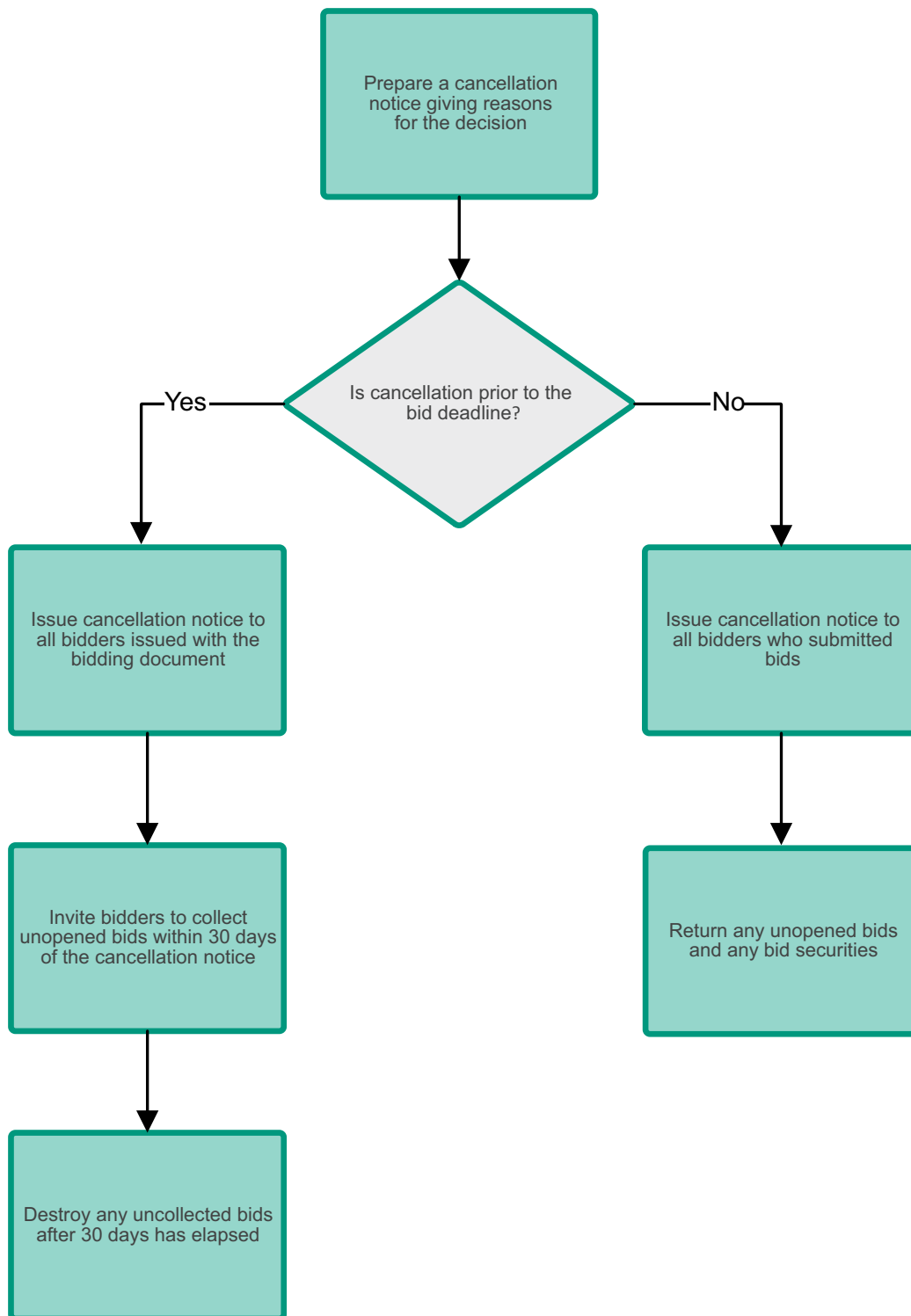
Refer to Section 42 of the Act.

2. STEP-BY-STEP INSTRUCTIONS – CANCELLATION OF PROCUREMENT PROCEEDINGS

The following flowchart shows the process for cancelling procurement proceedings.

Figure 38 - Cancelling procurement proceedings





MODULE 10. CONTRACT MANAGEMENT

MODULE 10.1: MANAGEMENT OF CONTRACTS

OBJECTIVES:

Once awarded, contracts must be proactively managed by the procuring entity to :



ensure that the procuring entity meets its contractual obligations e.g. making payments on time and providing any required information, documentation, site access, counterparts staff or approvals;



monitor whether the contractor is meeting its obligations and take action in cases of delay or default;



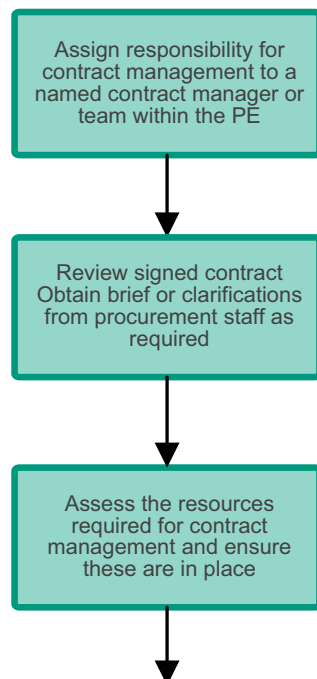
minimise risks associated with the contract.

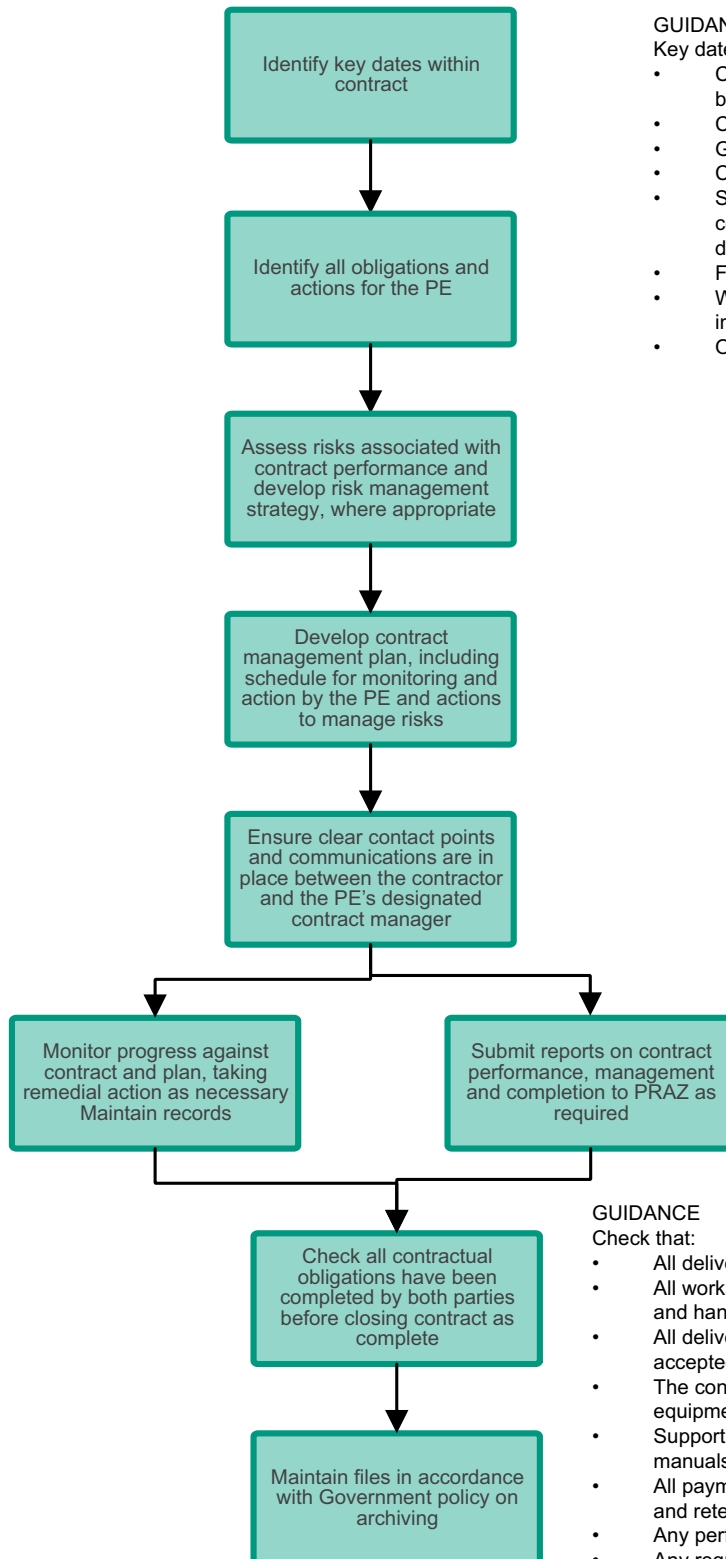
Refer to Section 79 of the Act and Part IX of the Regulations.

STEP-BY-STEP INSTRUCTIONS: MANAGEMENT OF CONTRACTS

The following flowchart shows the steps to be taken in managing a contract.

Figure 39 - Contract management





GUIDANCE

Key dates will include:

- Contract effectiveness, which might require action by the PE such as payment of an advance
- Contract commencement
- Granting access to a site or premises
- Conducting inspection
- Stages of completion or performance e.g. consultancy deliverables or milestones, partial deliveries, staged completion of works
- Final delivery, performance or completion
- When payments are due, which may differ for interim and final payments
- Ongoing obligations such as warranty periods

GUIDANCE

Check that:

- All deliveries have been made and accepted
- All works have been completed, drawings submitted, defects remedied and handed over
- All deliverables, including final reports, have been submitted and accepted
- The contractor has demobilised, including removing or handing over any equipment or personnel and withdrawing from site
- Supporting services or documentation have been provided e.g. spares, manuals, installation, commissioning or user training
- All payments have been made, including accounting for any advances and retention payments
- Any performance or payment securities returned
- Any required completion certificates or final payment documents have been issued
- There are no outstanding claims or disputes under the contract
- Ongoing obligations such as warranty or defects liability periods have been completed and retention payments made

MODULE 10.2: MANAGING CHANGES TO CONTRACTS

3. OBJECTIVES:

Changes are sometimes inevitable during the implementation and management of a contract. Such changes must be handled correctly to ensure compliance with the Act. This process for managing changes to contracts is used to:



ensure that all required approvals take place prior to the procuring entity committing to any contractual change, including scrutiny by the Special Procurement Oversight Committee where required;



Ensure that all changes are correctly documented in writing to avoid misunderstandings or claims.

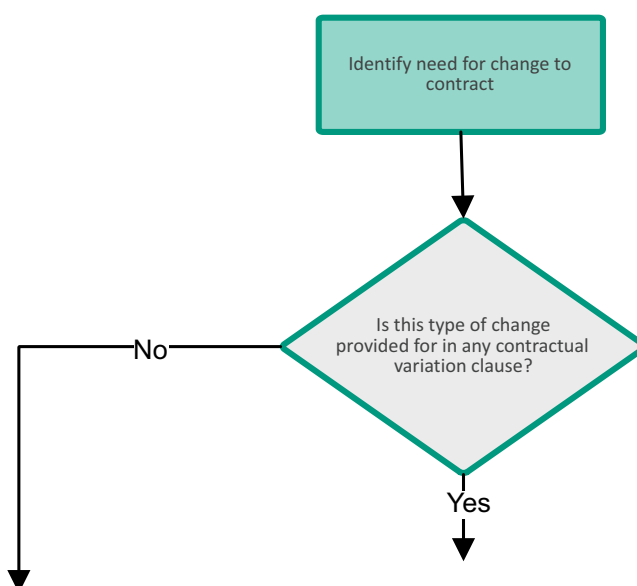
Refer to Section 81 of the Act and Section 62 of the Regulations.

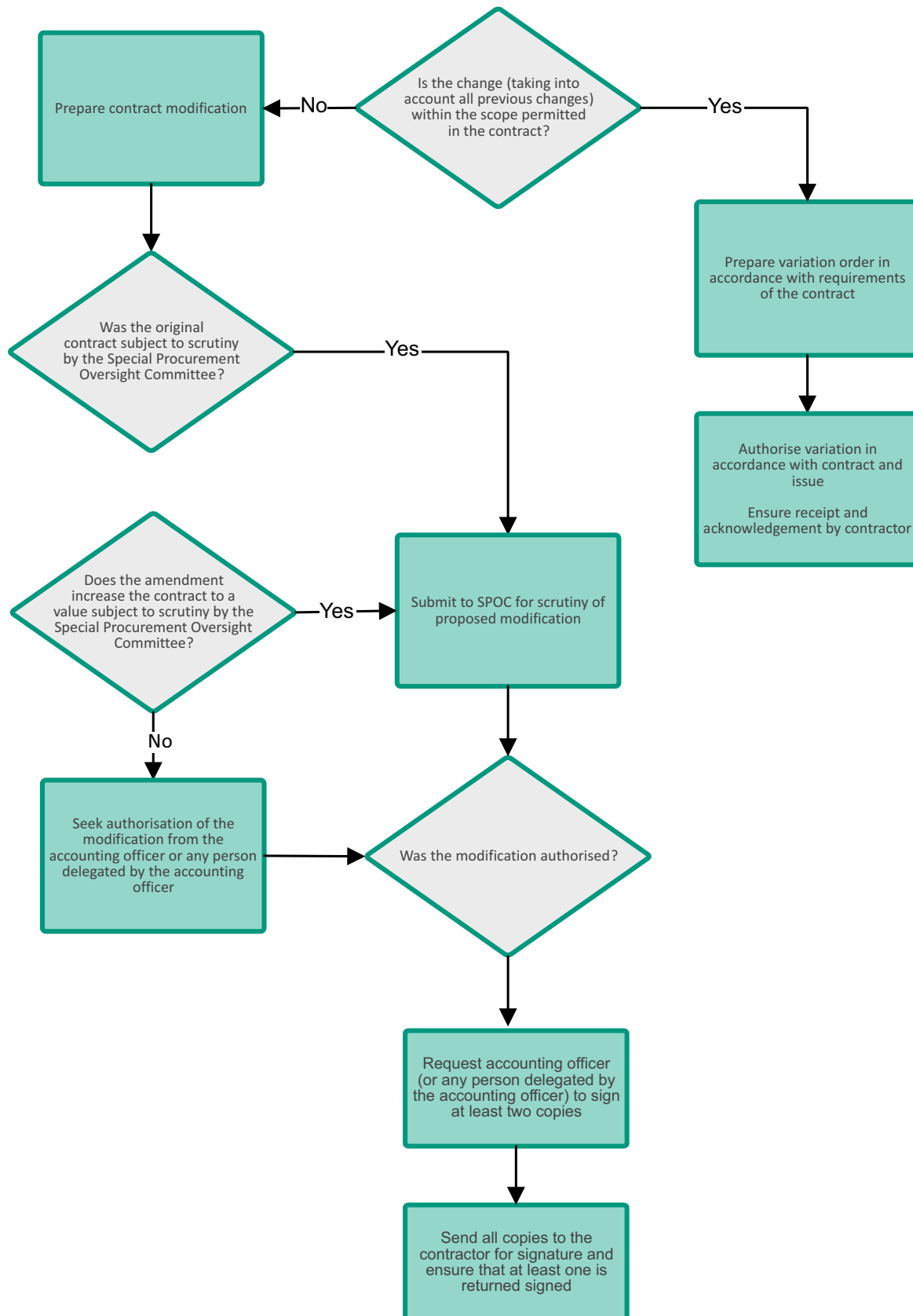
Some changes can be anticipated and contracts often build in mechanisms to deal with these e.g. price variation clauses to address fluctuations in costs or contractual mechanisms for the procuring entity to agree small changes in design, quantities or work programs. Such built-in variations are normally limited to maximum percentages or types of changes. Other changes are unforeseen or go beyond the scope permitted in the contract and therefore necessitate a modification of the contract, signed by both parties.

STEP-BY-STEP INSTRUCTIONS MANAGING CHANGES TO CONTRACTS:

The following flowchart shows the process for managing changes to a contract, including identifying where a modification is required.

Figure 40 – Managing Changes to Contracts





This image shows a full page of white paper with horizontal dotted lines. The lines are evenly spaced and run across the entire width of the page, providing a guide for handwriting or typing. There are no margins, text, or other markings on the page.

