

# Section 3 - Evaluation and Qualification Criteria

## Table of Criteria

<b>1. Evaluation</b> .....	<b>3-2</b>
<b>1.1 Technical Evaluation</b> .....	<b>3-2</b>
<b>1.2 Alternative Technical Solutions</b> .....	<b>3-2</b>
<b>1.3 Economic Evaluation</b> .....	<b>3-2</b>
<b>1.4 Single Contract</b> .....	<b>3-4</b>
<b>2. Qualification</b> .....	<b>3-5</b>
<b>2.1 Eligibility</b> .....	<b>3-5</b>
2.1.1 Nationality .....	3-5
2.1.2 Conflict of Interest .....	3-5
2.1.3 ADB Eligibility.....	3-5
2.1.4 Government-Owned Enterprise .....	3-5
2.1.5 United Nations Eligibility .....	3-5
<b>2.2 Pending Litigation and Arbitration</b> .....	<b>3-6</b>
2.2.1 Pending Litigation and Arbitration .....	3-6
<b>2.3 Financial Situation</b> .....	<b>3-7</b>
2.3.1 Historical Financial Performance .....	3-7
2.3.2 Average Annual Turnover .....	3-7
2.3.3 Financial Resources .....	3-8
<b>2.4 Bidder's Experience</b> .....	<b>3-9</b>
2.4.1 Contracts of Similar Size and Nature .....	3-9
2.4.2 Experience in Key Activities.....	3-10
<b>2.5 Subcontractors</b> .....	<b>3-11</b>

# 1. Evaluation

## 1.1 Technical Evaluation

In addition to the criteria listed in ITB 36.2 (a)–(b), other relevant factors are as follows:

Evaluation of the Bidder's Technical Proposal will include an assessment of the Bidder's technical capacity to mobilize key equipment and personnel for the contract consistent with its proposal regarding work methods, scheduling, and material sourcing in sufficient detail and fully in accordance with the requirements stipulated in Section 6 (Employer's Requirements).

Non-compliance with equipment and personnel requirements described in Section 6 (Employer's Requirements) shall not normally be a ground for bid rejection and such non-compliance will be subject to clarification during bid evaluation and rectification prior to contract award.

## 1.2 Alternative Technical Solutions

Technical alternatives, if permitted under ITB 13.4, will be evaluated as follows: not applicable.

## 1.3 Economic Evaluation

In addition to the criteria listed in ITB 36.4 (a)–(e), other relevant factors are as follows:

Adjustments in price that result from the procedures outlined below shall be added, for purposes of comparative evaluation only, to arrive at an "Evaluated Bid Price." Bid prices quoted by Bidders shall remain unaltered.

### 1.3.1 Quantifiable Deviations and Omissions

Quantifiable Deviations and Omissions from the contractual obligations: the evaluation shall be based on the evaluated cost of fulfilling the contract in compliance with all contractual obligations under this Bidding Document.

Pursuant to ITB 32.3, the cost of all quantifiable nonmaterial nonconformities or omissions from the contractual and commercial conditions shall be evaluated. The Employer will make its own assessment of the cost of any nonmaterial nonconformities and omissions for the purpose of ensuring fair comparison of Bids.

### 1.3.2 Time Schedule

Time to complete the plant and services from the effective date specified in Article 3 of the Contract Agreement for determining the time for completion of pre-commissioning activities is: **ten (10) months**. No credit will be given for earlier completion.

EPC will not allow any schedule which exceeds ten (10) months from the Effective Starting Date.

### 1.3.3 Operating and Maintenance (O&M) Costs

Typical O&M cost factors for calculation are as follows:

- (a) Number of years for life cycle 10 yrs.
- (b) Operating costs US\$0.30 per kWh.
- (c) Maintenance costs, including the cost of spare parts for the initial period of operation.
- (d) A rate of 10% to be used to discount to present value all annual future costs calculated under (b) and (c) for the period specified in (a).

### 1.3.4 Functional Guarantees of the Facilities

The minimum and/or maximum requirements stated in the Specification for functional guarantees required in the Specification are the following:

Functional Guarantee <i>[as required in the Specification, e.g., performance, efficiency, consumption, etc.]</i>	Minimum and/or Maximum, as appropriate Requirement <i>[as required in the Specification]</i>
1.Installed capacity	2MW minimum
2.Generator efficiency	96% minimum
3.Turbine efficiency at rated flow rate	85% minimum
4. Available factor	95% minimum

For the purposes of evaluation, for each percentage point in performance or efficiency below the norm specified in the Specification but above the minimum acceptable levels also specified there, an adjustment of 1% will be added to the bid price.

### 1.3.5 Work, Services, Facilities, etc., to Be Provided by the Employer

Where bids include the undertaking of work or the provision of services or facilities by the Employer in excess of the provisions allowed for in the Bidding Document, the Employer shall assess the costs of such additional work, services and/or facilities during the duration of the contract. Such costs shall be added to the bid price for evaluation.

### 1.3.6 Specific Additional Criteria

The following additional criteria will be used in the evaluation: none

### 1.3.7 Domestic Preference

A margin of preference will be granted to eligible domestically produced Plant and Equipment in accordance with the following provisions:

- (a) The preference margin shall not be applied to the whole facility but only to the eligible domestically produced Plant and Equipment within the contract.
- (b) Plant and Mandatory Spare Parts supplied from abroad shall be quoted CIP (Section 4, Bidding Forms, Schedule No. 1) and Plant and Mandatory Spare Parts supplied from

within the Employer's country shall be quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable) free of sales and similar taxes (Section 4, Bidding Forms, Schedule No. 2).

- (c) All other cost components for services and works such as costs for design, local handling, transportation, storage, installation, and commissioning shall be quoted separately (Section 4, Bidding Forms, Schedule No. 3 - Design Services and Schedule No. 4 - Installation and Other Services).
- (d) In the comparison of Bids, only the CIP price component of each Bid for the Plant and Equipment offered from outside the Employer's country shall be increased by 15%.
- (e) No margin of preference shall be applied to any of the services or works included in the contract.
- (f) Bidders shall not be permitted or required to modify the mix of local and foreign Plant and Equipment after bid opening.

#### **1.4 Single Contract**

Works are grouped in a single contract and pursuant to ITB 36.6, the Employer will evaluate and compare Bids on the basis of a single contract to arrive at the least cost combination for the Employer by taking into account discounts offered by Bidders.

If a Bidder submits several successful (lowest evaluated substantially responsive) bids, the evaluation will also include an assessment of the Bidder's capacity to meet the following aggregated requirements as presented in the bid:

- Average annual turnover,
- Financial resources,
- Equipment to be allocated, and
- Personnel to be fielded.

## 2. Qualification

It is the legal entity or entities comprising the Bidder, and not the Bidder's parent companies, subsidiaries, or affiliates, that must satisfy the qualification criteria described below.

### 2.1 Eligibility

Criteria	Compliance Requirements				Documents
	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
Requirement					

#### 2.1.1 Nationality

Nationality in accordance with ITB Subclause 4.2.	must meet requirement	must meet requirement	must meet requirement	not applicable	Forms ELI - 1; ELI - 2 with attachments
---	-----------------------	-----------------------	-----------------------	----------------	---

#### 2.1.2 Conflict of Interest

No conflicts of interest in accordance with ITB Subclause 4.3.	must meet requirement	must meet requirement	must meet requirement	not applicable	Letter of Bid
--	-----------------------	-----------------------	-----------------------	----------------	---------------

#### 2.1.3 ADB Eligibility

Not having been declared ineligible by ADB, as described in ITB Subclause 4.4.	must meet requirement	must meet requirement	must meet requirement	not applicable	Letter of Bid
--	-----------------------	-----------------------	-----------------------	----------------	---------------

#### 2.1.4 Government-Owned Enterprise

Bidder required to meet conditions of ITB Subclause 4.5.	must meet requirement	must meet requirement	must meet requirement	not applicable	Forms ELI - 1; ELI - 2 with attachments
--	-----------------------	-----------------------	-----------------------	----------------	---

#### 2.1.5 United Nations Eligibility

Not having been excluded by an act of compliance with a United Nations Security Council resolution in accordance with ITB Subclause 4.7.	must meet requirement	must meet requirement	must meet requirement	not applicable	Letter of Bid
--	-----------------------	-----------------------	-----------------------	----------------	---------------

## 2.2 Pending Litigation and Arbitration

Pending litigation and arbitration criterion shall not apply.

### 2.2.1 Pending Litigation and Arbitration

Criteria	Compliance Requirements			Documents	
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
All pending litigation and arbitration, if any, shall be treated as resolved against the Bidder and so shall in total not represent more than <b>fifty (50)</b> percent (%) of the Bidder's net worth calculated as the difference between total assets and total liabilities.	must meet requirement by itself or as partner to past or existing Joint Venture	not applicable	must meet requirement by itself or as partner to past or existing Joint Venture	not applicable	Form LIT - 1

## 2.3 Financial Situation

### 2.3.1 Historical Financial Performance

Criteria	Compliance Requirements			Documents	
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
Submission of audited financial statements or, if not required by the law of the Bidder's country, other financial statements acceptable to the Employer, for the last <b>three (3)</b> years to demonstrate the current soundness of the Bidder's financial position. As a minimum, the Bidder's net worth for the last year calculated as the difference between total assets and total liabilities should be positive.	must meet requirement	not applicable	must meet requirement	not applicable	Form FIN - 1 with attachments

### 2.3.2 Average Annual Turnover

Criteria	Compliance Requirements			Documents	
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
Minimum average annual turnover of <b>US\$2.0 million</b> calculated as total certified payments received for contracts in progress or completed, within the last <b>three (3)</b> years.	must meet requirement	must meet requirement	must meet 50% of the requirement	must meet 100% of the requirement	Form FIN – 2

### 2.3.3 Financial Resources<sup>1</sup>

Criteria  Requirement	Compliance Requirements			Documents	
	Single Entity	Joint Venture		Submission Requirements	
All Partners Combined		Each Partner	One Partner		
The Bidder must demonstrate that its financial resources to meet:					
(a) Its current contract commitments, as defined in FIN-4 (Total Financial Requirements for Current Contract Commitments), plus	must meet requirement	must meet requirement	must meet requirement for its own contractual commitments	not applicable	Form FIN – 4
(b) the requirements for the Subject Contract of US\$1.0M	must meet requirement	must meet requirement	must meet 50% (A)	must meet 100%(B)	Form FIN – 3 and Form FIN – 4

<sup>1</sup> The employer has the option to move this criterion from Section 3 (Evaluation and Qualification Criteria) to Section 6 (Employer's Requirements), in which case,  
(a) the employer shall confirm compliance with the financial resources prior to award of contract in accordance with ITB 40.1 Award Criteria; and  
(b) in place of the Financial Resources criterion, the employer shall require the bidder to submit together with its bid, and for confirmation during bid evaluation, a Letter of Undertaking to comply with the financial resources given in Section 6 prior to award of contract.

## 2.4 Bidder's Experience

### 2.4.1 Contracts of Similar Size and Nature

Criteria	Compliance Requirements			Documents	
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
Participation in at least <b>one</b> contract that has been successfully or substantially completed within the last <b>three (3)</b> years and that is similar to the proposed contract, where the value of the Bidder's participation exceeds <b>\$2.0 million</b> . The similarity of the Bidder's participation shall be based on the physical size, nature of works, complexity, methods, technology or other characteristics as described in Section 6 (Employer's Requirements).	must meet requirement	not applicable	not applicable	not applicable	Form EXP - 1

### 2.4.2 Experience in Key Activities

(Must be complied with by the Bidder. In case of a Joint Venture Bidder, at least one of the partners must have experience in the key activity. If the activity can be subcontracted, the requirement must be specified in criterion 2.5 of Section 3.)

Criteria	Compliance Requirements			Documents	
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
For the above or other contracts executed during the period stipulated in 2.4.1 above, a minimum experience in the following key activities:	must meet requirements	not applicable	not applicable	must meet requirements	Form EXP - 2
A. Hydro generator design and installation	✓	✓	✓		
B. Hydro turbine and generator PLC control and installation	✓	✓	✓		
C. Hydro generator and equipment commissioning	✓	✓	✓		

## 2.5 Subcontractors

Subcontractors or Manufacturers for the following major items of plant and services must meet the following minimum criteria, herein listed for that item. Failure to comply with this requirement will result in rejection of the subcontractor but not the Bidder.

Item No.	Description of Item	Minimum Criteria to be met	Documents Submission Requirements
1	Hydro plant and electro-mechanical equipment manufacturer	At least 1 similar projects in last 10 yrs	Form EXP-3
2	Hydro generator controls installation and commissioning	At least 1 similar projects in last 10 yrs	
3	Riverbanks or shoreline revetment rock wall construction	At least 2 similar projects in last 10 yrs	
4			
5			

In the case of a Bidder who offers to supply and install major items of plant under the contract, which the Bidder did not manufacture or otherwise produce, the Bidder shall provide the Manufacturer's authorization, using the form provided in Section 4 (Bidding Forms), showing that the Bidder has been duly authorized by the Manufacturer or producer of the related plant and equipment or component to supply and install that item in the Employer's country. Failure to submit the Manufacturer's authorization at the first instance is considered a minor, nonmaterial omission and shall be subject to clarification. However, failure of the Bidder to submit the omitted authorization shall lead to rejection of the Subcontractor or Manufacturer of the item under evaluation in accordance with ITB 38.4.