

ECA RPM Office
GUIDANCE NOTE on ICT Procurement
January 2009

INTRODUCTION:

1. The purpose of this note is to remind and provide guidance to ECA Procurement staff in addressing different issues during reviewing bidding documents, bid evaluation reports, and conducting post-review where ICT items are included.

RECOMMENDED APPROACH

2. The technical specifications/requirements in the bidding documents (SBDs, ITQs, etc.) should be vendor neutral and any use of brand names should be clearly justified, this should extend also to the use brand names for operating systems and “office tools” packages. We should recommend (though not mandate) that purchasers require "registered brand name computers" though not a particular named brand.

3. The purchaser should use performance benchmarks rather than configurations in the description of items, and should cut down the numbers of parameters used concentrating on real needs and not on descriptions stemming from the printed 'data sheet' descriptions of desired equipment as this leads to the inadvertent inclusion of proprietary names and indication of parameters that are irrelevant to performance but limiting to competition if fully compliant equipment is to be offered.

4. The purchaser should require the following warranty periods for (i) PCs/notebooks - 36 months, (ii) servers at least 36 months (60 months is also possible), (iii) printers, network equipment and other active equipment -12 months minimum. Other maintenance services should be limited or even excluded in order to limit the influence of Recurrent Costs in the evaluation of the bids.

5. In respect of software, companies rarely provide any warranty and if they do this is usually limited to 1 year (12 months) in this respect Purchasers should not forget about maintenance (software subscription licenses in the case of proprietary software) to prevent having to sign direct contracts at a later date.

6. Borrowers should also be reminded of the fact that during the course of project implementation all updates to standard software should be provided free-of-charge and Purchasers should be supplied with newer replacement models of hardware if any are released between the time of Bidding and supply (as provided for in the GCC).

7. The purchaser should carefully consider the requirement for minimum period of the any **proprietary** software product being available on the market prior to the bid submission 6 months would appear to be appropriate and would prevent the purchaser to

acquire new (untested) technologies; shorter period should be adopted depending on the application field.

8. For all active equipment and software packages the bids should include the requirement for MAFs to be submitted and an example form should be included, if the bidders do not manufacture the offered items. However, in case MAFs are not submitted at the time of Bidding this should not be a cause of rejection but rather may be a condition of signing the contract in case of the lowest evaluated Bid, with the Bidder having to forfeit his Bid Security in case they are not able to produce these.

9. When considering the design, development and implementation of Information Systems the following guidance should be borne in mind:

- a. Design – should be done through RFP;
- b. Design and Supervision of implementation – should be done through RFP or as Technical (Non-consultant's) Services – ICB;
- c. Supervision of implementation – should be done through RFP or as Technical (Non-consultant's) Services – ICB;
- d. Development (a single non-production) system – can be done either through RFP or ICB;
- e. Development and Implementation – should be done as ICB;
- f. Design, Development and Implementation – should be done as ICB;
- g. Implementation and Roll-out – should be done as ICB.

10. In defining requirements for more complex systems Purchasers should carefully consider whether requirements are indicated as “mandatory” or “preferred” / “recommended”. This applies also to the words “must” and “should”. They should be made aware that if a single mandatory/must criterion is not fulfilled the Bid should be rejected! Therefore careful use should be employed as there are rarely any ‘perfect Bids’. This is also important in case a technical merit point system is employed – no points should be awarded for the fulfillment of mandatory criteria.

11. (Post) qualification requirements should be realistic and should be used to confirm the qualifications of the lowest evaluated Bidder and not as a method of rejecting nominally inappropriate Bidders or reducing competition in the second stage of a two-stage Bidding procedure. For complex system development requirements should indicate experience in either 2 systems in the last 3 years or 3 systems in the last 5. Desired qualifications of Bidder (Supplier) staff should be indicated through qualification requirements rather than through the employment of technical merit point systems.

12. The evaluation methodology should be simple and as far as possible not employ any technical merit point systems in order to limit unnecessary subjectivity in the evaluation when using such systems. If a point system is used then it is necessary to disclose the details of the scoring scheme so as to allow the bidders to closely estimate their scores. The systems employed must be objective, quantitative and measurable. The weight of the price factor should usually be in the range of 80%.

13. The Bid Evaluation Report should include an item by item comparison with requirements, preferably using a comparative table listing original requirements versus

items/features offered by each bidder. The actual parameters offered should be indicated and simple statements COMPLY or YES are usually not acceptable. In case of rejecting lower priced bids (as per read-out bid prices) rejected bidders should be included in such table. For each item proposed the table should include model name of the proposed equipment and name with version of the standard software. A simple example of such a table is included in the Trial Version of BER IS Single-Stage.

14. All deviations indicated as minor must be individually priced in the evaluation report and the method used for indicating the price must be clear and applied in the same way to all Bidders and in the same way to all items, if possible. This should be either through using the prices quoted by competitors or by independent estimation (verification) of the costs of the components.

15. The contract (especially in case of shopping) should include the proposed model names for all items listed in the contract (version number for standard software). Simple reference to the requirements is not sufficient.

16. If any amendments or extensions to ICT contracts are required then these should be carefully checked and justifications examined, particularly where the market trend appears to be downward. Requests for additional items or change in the scope of contract should be treated with caution.

17. The Acceptance Certificate should include list of items from the contract (with model names) and their Serial Numbers (S/N) or License Numbers (codes) for standard software. Inventory Numbers instead of S/N may be acceptable. This certificate should be accompanied either with test results or specification which could later be verified. Attention should be paid to this during physical verifications (at Post Review).

REVIEW REQUIREMENTS (RECOMMENDATIONS)

Clearance/comments from a designated IT Procurement Specialist should be sought for the following:

- i) at design stage (project preparation and appraisal) all ICT packages, their appropriateness, applicable methods of procurement, timing, estimated cost, etc. along with Borrower's capacity to handle procurement at all stages of the procurement cycle;
- ii) all bidding documents, technical specifications and evaluation reports concerning ICT at every stage;
- iii) review of prebid minutes and responses to requests for clarifications;
- iv) review of all responses to complaints.