

Invitation for Quotations

DELETE THIS GUIDANCE NOTE AND ALL PROMPTS IN RED IN THE RFQ BEFORE ISSUANCE

Appropriate use of The RFQ document

RFQ is appropriate where the procurement is for readily available commercially standard goods, not specially manufactured to the particular specifications of the contracting entity; and

when the estimated value of the procurement is between :

- \$ 7,500 and \$ 100,000 in the case of works, and
- \$ 7,500 and \$ 50,000 in the case of goods and non-consultant services.

Where non-consultant services are required, detail of the scope, scale and duties must be provided and the price schedule (Attachment 1.) must be suitably modified to enable bidders to provide consistent proposals.

Notes on preparation

- Where the contract value is below \$10,000 the Procuring Entity may carry out the Bidding process.
- Above \$7,500 and up to \$10,000 the proposal document must be sent to the Central Procurement Unit and it shall be endorsed by the Head of the Procurement Division prior to placing a contract.
- Above \$10,000 upwards the transaction shall be carried out by the Central Procurement Unit.

A public Bid Opening is not required and evaluation is not a complex operation.

It is a simple document that may be faxed or sent by electronic post to Bidders.

Preparation of the RFQ document should include clearly worded specifications.

- **For Goods** the specification should include any required operating or repair manuals. Goods shall be of the most recent design and incorporating all recent manufacturer's modifications. Also important is warranty or guarantee and available service facilities.
- **For Works** In addition to a detailed Scope of Work, the specification should detail standards, location, working hours, completion required expressed in days or weeks from award, detailed scope of work and contractors insurance cover.
- **For Non-Consulting Services**- It will be a detailed Scope of work and provide location, working periods, standards and, in the case of services requiring personnel, the expected number of personnel.

The shortlist shall include sufficient Bidders to ensure effective competition, but in any case, no less than three quotations shall be obtained. It may therefore be prudent to seek 4 or even 5 suppliers to try to ensure that at least three responses.

The minimum Bid response period shall be-

- 10 days where shortlisted Bidders are national only; or
- 14 days where the shortlist includes foreign Bidders.

The Bidders are expected to complete and sign Attachment 1. (The quotation) and sign Attachment 2. (Terms and Conditions of Supply). These then form the Bidder's quotation.

This Page and any notes or guidance in red print should be removed before issuance.

Procurement Staff should adapt the RFQ depending on the type of goods or works to be procured. For Goods Transport costs should be shown separately.



Bid Ref

Date [*Date issued*]

INVITATION TO QUOTE

To:

This Invitation for Quotations comprises [*State total number of pages including Specification*]

Gentlemen:

1. The Government of The Kingdom of Tonga has allocated funds for eligible payments under the contract for which this invitation for quotation is issued.
2. You are invited to submit your price quotation(s) for the supply of the following items:
 - (i) [*Adapt as appropriate*] _____
 - (ii) _____

The required Specification is attached and will form part of the Purchase Order

3. *The Purchasing Officer must choose one of the paragraphs below and delete the other as appropriate*

You may quote for any or more items under this invitation.

Or

You must quote for all the items under this Invitation.

4. Your quotation in the required format (**Signed Attachments 1 and 2**) should be addressed and submitted to:

Telephone : _____

Email: _____

5. Your quotation in duplicate and in English language, should be accompanied by adequate technical documentation and catalogue(s) and other printed material or pertinent information (in English language) for each item quoted, including names and addresses of firms providing service facilities in Tonga where appropriate.
6. The deadline for receipt of your quotation (s) by the Purchaser at the address indicated in Paragraph 4 is: [*Fill in date which should be not less than 10 days from the issuance of the document for National Tendering*]
7. Quotations by electronic means are acceptable.

8. Your quotation(s) should be submitted as per the following instructions and in accordance with the Terms and Conditions of supply attached. Please be sure to sign both your quotation (Attachment 1.) and the Terms and Conditions of Supply (Attachment 2.) and return the same to the Purchaser.

(i) PRICES AND DELIVERY: The prices should be quoted in Tongan Pa'anga for delivery, DAP to *[State place of delivery]*. Prices must be quoted in TOP and include all taxes, duties and levies applicable at the present time including Consumption Tax (CT).

Delivery is required by *(State here if a particular delivery is required. If not state "Indicate your earliest possible delivery")*

Your quotation must include your delivery time stated in weeks from receipt of award

(ii) EVALUATION AND AWARD OF ORDER: Offers determined to be substantially responsive to the commercial requirements and technical specifications will be evaluated by comparison of their prices. The award will be made to the firm offering the lowest evaluated price and that meets the commercial and technical requirements. In the case of contracts awarded by way of competitive bidding and in the case of any contract with a value in excess of \$ 10,000, notice shall be given to the other bidders, specifying the name and address of the proposed successful bidder and the price of the contract, but the contract shall not be signed until at least 14 days have passed following the giving of that notice.

(iii) VALIDITY OF THE OFFER: Your quotation(s) should be valid for a period of 60 days from the date of receipt for quotation(s) as indicated in Paragraph 6 of this Invitation to Quote.

(iv) OTHER DOCUMENTS REQUIRED: The following documents must accompany your quotation:-

- Declaration of Eligibility in the form provided signed by the Bidder
- Certified Copy of current Tax Clearance Certificate
- Full contact Details (telephone/Email and full address)
- Copy of business Registration
- *[Indicate any other required documents including any qualification evidence]*

9. Further information can be obtained from:
[Provide contact details of Contracting Entity]

Telephone: _____

Email address

10. Please Confirm by telex or electronic post the receipt of this invitation and whether or not you will submit the price quotation(s).

Attachment 1.

To : Ministry of *State which Ministry or Institution*

Dear sirs

We present herewith our quotation including attachment 2 for the undernoted items. We undertake to hold this quotation valid for a period of 60 (sixty) days following the latest submission date. If we are favoured with your acceptance of our quotation we undertake to begin delivery immediately and comply with all requirements, specifications, delivery, terms and conditions of supply detailed in the attached Terms and Conditions to which we affix our signature.

Quotation

This form should be adapted appropriately for the type of purchase

Item No.	Goods, Works or non-consultant services	Unit Price DAP	Delivery in Weeks from Receipt of Award DAP	Total in TOP
Total for Goods (excluding CT)				
Total CT				
Total Offer Price including CT				

In the event of a discrepancy between the unit price and the total, the unit price shall prevail.
DAP is Delivered at Place according to INCOTERMS 2010

Signed for the Bidder

Full name, Address of Bidder with Contact details

Date

Attachment 2.

Terms and Conditions of Supply

Project Name: _____

Purchaser: *State the Ministry*

Contract No: *[Should be same as Bid]*

1. Prices and Schedules for Supply

<u>S.No.</u>	<u>Item No.</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Total Price</u>
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Delivery Time

Adapt this part as appropriate for the type of purchase. If you are specifying a delivery or completion time rather than allowing the firm to quote a delivery time you should state "Delivery time or completion as appropriate : Delivery/Completion should be completed by {no of weeks } from acceptance of your quotation"

[Note: In case of discrepancy between unit price and Total derived from unit price, unit price shall prevail]

Associated Services *If appropriate detail here the nature of any extra services such as testing, mounting, assembling – Otherwise delete.*

- Fixed Price** The prices indicated above are firm and fixed and not subject to any adjustment during contract performance.
- Country of Origin:** A certificate of origin will be required for each item. *(Where the item is to be Locally tendered state here "Not required")*
- Payment** or your invoice will be made 100% against a valid Receipt signed and issued by a representative of the Ministry receiving the goods or services evidencing delivery together with your invoice for payment. Payment will be made within 30 (thirty) days of the receipt of the aforementioned documents.
- Warranty:** Goods offered should be covered by manufacturer's warranty for at least 12 months from the date of delivery to the Purchaser. Please specify warranty period and terms in detail.
- Packaging and Marking Instructions:** *[Specify any required special instructions]*
- Required Technical Specifications** *[This should be modified as appropriate and a detailed specification provided as a further attachment to this Attachment 2.]*

The Supplier confirms compliance with above specifications. In case of deviations the supplier must list all such deviations.

- Failure to Perform:** The Purchaser may cancel the Purchase Order if the Supplier fails to deliver the Goods, in accordance with the above terms and conditions, in spite of a 21 day notice given by the Purchaser, without incurring any liability to the Supplier.
- Eligibility:** The Contracting Entity requires all Bidders to meet the following criteria, to be eligible to participate in public procurement-
 - that the Bidder has the legal capacity to enter into the contract;

- (b) that the Bidder is not insolvent, in receivership, bankrupt or being wound up, its affairs are not being administered by a court or a judicial officer, its business activities have not been suspended and it is not the subject of legal proceedings for any of the foregoing;
- (c) that the Bidder has fulfilled its obligations to pay taxes and social security contributions;
- (d) that the Bidder has not, and its directors or officers have not, been convicted of any criminal offence related to their professional conduct or the making of false statements or misrepresentations as to their qualifications to enter into a contract within a period of five years preceding the commencement of the procurement proceedings; and
- (e) that the Bidder does not have a conflict of interest in relation to the procurement requirement.

The Bidder is expected to sign and provide with his Bid the Declaration of Eligibility contained in this document.

10. **Corrupt, fraudulent Practices** - Bidders should be aware that a Bidder who engages in corrupt, collusive, fraudulent, coercive or obstructive practices will have their proposals rejected and may further be subject to the prosecution under the laws of Tonga.

11. **Termination** - The Purchaser may, by written notice sent to the Supplier, terminate the Purchase Order in whole or in part at any time for its convenience:

- (i) if the Supplier fails to perform the Goods within the time period(s) specified in the Purchase Order; or
- (ii) if the Supplier fails to perform any other obligation(s) under the Purchase Order; or if the Supplier, in either of the above circumstances does not cure its failure within a period of (5) five calendar days after receipt of a notice of default from the Purchaser specifying the nature of the default(s); or
- (iii) if the Supplier, in the judgment of the Purchaser, has engaged in any corrupt or fraudulent, collusive, coercive or obstructive practices in competing for or in executing the tasks under this Purchase Order;

12. **Applicable Law** -This Purchase order and any goods, services or works supplied are subject to the Laws, Regulations and norms of the Kingdom of Tonga.

Name of Supplier _____

Address of Supplier
 Authorized Signature _____

Place:
 Date

Declaration of Eligibility

All Bidders must meet the following criteria, to be eligible to participate in public procurement

Bidders must provide a signed declaration on their company letterhead in the following format. If the Bid is being presented by a joint venture or consortium all members must sign the declaration

Dear Sirs

Re Bid Reference

In accordance with the eligibility requirements of the Procurement Regulations and the Bid documents we hereby declare that:-

- (f) We, including any joint venture partners or consortium partners are a legal entity and have the legal capacity to enter into the contract;
- (g) We are not insolvent, in receivership, bankrupt or being wound up, our affairs are not being administered by a court or a judicial officer, our business activities have not been suspended and we not the subject of legal proceedings for any of the foregoing;
- (h) We have fulfilled our obligations to pay taxes and social security contributions;
- (i) We have not, and our directors or officers have not, been convicted of any criminal offence related to our/their professional conduct or the making of false statements or misrepresentations as to their qualifications to enter into a contract within a period of five years preceding the commencement of the procurement proceedings; and
- (j) That we do not have a conflict of interest in relation to the procurement requirement.

Signed

Date

Specifications as part of Attachment 2

Specifications

The Ministry is responsible for providing the Specifications

Specifications are meant to encourage competition and should not be restrictive. They should also aid evaluation by making technical responsiveness easy to recognize and decide.

The use of brand names is restrictive and not allowed unless there is a sound justification such as proprietary equipments or spare parts.

Requirements should be generally divided into the following areas

Key specifications – These are specifications that must be adhered to therefore it is important to clearly state maximum or minimum levels. For example, if around 30 kW is required then a reasonable range should be specified. If a very specific maximum or minimum output is required then this should be very clearly specified indicating **the maximum and minimum level** that is acceptable. In this case, anything above or below the specified levels would not be acceptable

Non-Key Specifications –These are specifications that are not critical. No two manufacturers present precisely the same specifications and on those areas that are not critical variations can be accepted.

*In cases where **the goods are equipment**, the specification should clearly define that the equipment or supplies must comply with Tonga environmental and safety regulations and must be capable of operating in the conditions prevalent in Tonga. Where appropriate the warranty duration and conditions in English together with the address of the service centre/s. Operating and maintenance manuals must be provided in the English language.*

Any special packing or packaging requirements should be stated here.

*In the case of **Works**, reference must be made to relevant current building and environmental regulations in Tonga. Bidders for works should also be asked a copy of current to provide tax clearance certificate, copy of registration and Certificate of Compliance if they are in possession of one.*

***Services** should clearly define the duties required including time frames, duration, and location together with, to whom the supplier of the services must report.*