# Lecture 8

Request for Tender

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# Defining the Departmental Requirements

Purchasing officers are required to prepare specifications, which are clear and complete, and accurately define what is expected from a supplier:

• The outputs (for services)

• The functional and performance requirements (for goods).

It is a further requirement that specifications neither over nor under specify the requirements.

**The Structure of "Request for Tender"**

The standard "Request for Tender" in divided into 4 major sections. Each "Request for tender" is tailored to the requirement and may contain more sections then described below (e.g. Quality Assurance Section). The four major sections are:

**Conditions of Tendering**

These explain the rules governing the content and submission of offers, the conduct of the tender process and any government policies (e.g. quality assurance). The details of the evaluation criteria and methodology to be used is also included in the tender documents. This allows the opportunity for suppliers to concentrate on the department's critical requirements. It also assists suppliers by providing them with additional information to make their strategic or commercial decision to submit or not to submit tender, or register their interest.

**Conditions of contract**

These are the terms and conditions, which will apply when a contract is awarded. A Tenderer's stated ability to meet each of the terms and conditions is an important factor in how their tender will be addressed.

**Technical Specification**

The "Request for Tender" should include the following information:

• Nature and quality of store.

• Total estimated value of earnest money required.

• Terms of delivery.

• Price of tender notice.

• Date, time and place of opening of the tender.

• Address of the office from where the tender form can be purchased.

**Tenderer Response Schedules**

The schedules contain performa questionnaires and other documents for tenderers to indicate their compliance with the specifications, terms and conditions of contract and costing summaries.

**Advertisement of Tenders**

Subjected to the PPRA law the tender should be advertised in the press through Director Public Relations. Simultaneously with publication of the notice, a copy of tender should be displayed on the notice board of the purchasing department.

**Types of Tender Notices:**

• **Open Tenders**

Indents of the value exceeding Rs. 1 Lac should be advertised in the press, with no restriction placed on who may participate in the tender. However, the tenderers are required to demonstrate in their tender that they have the necessary skills, resources, experience and financial capability to carry out the work.

• **Limited Tenders**

Indents up to the value of Rs. 1 Lac may be covered through selective tenders. In such cases notices are sent to registered firms/suppliers without open advertisements based on a proven record of relevant satisfactory performance and financial capability.

Pre-qualified tenderers lists are usually established where there is a continuing work load in a particular category of work over a period of time.

**3. Single Tender**

Single tender is issued when store of a proprietary nature is being indented by virtue of a proprietary certificate signed by the concerned administrative secretary and the source of supply is restricted to a single manufacturer.

• **Selected Tenders**

A selected tender may be issued in exceptional cases with the approval of Senior Purchase Officer to bonafide firms/manufacturers of a specific geographical area specializing in a given field.

• **Emergency Tenders**

Emergency tender may be called by the approval of Chief Purchase Officer or Principal Purchase Officer only in emergency situations.

• **Expressions of Interest**

Expressions of interest are used where pre-qualified tenders are required for a particular works that only occur intermittently such as major dams, breakwaters and major pipelines.

• **Pre-qualification Notices**

Pre-qualification notices are issued by the departments to pre-qualify or register firms and manufacturers for a specific ongoing contract to assess the necessary skills, resources, experience and financial capacity of these firms to carry out the particular work.

• **Local Purchases**

Indents upto a value of Rs. 25,000/- are usually not advertised except in cases where indenting officer declares that local purchase is not possible.

**9. International Tenders**

In many indents the products required are not manufactured in Pakistan. In such cases international tenders are called. Only those tenderers can participate who are representing foreign principals & manufacturers and they should have the capability and resources to produce these goods on F.O.B (Free on Board) or C & F (Carriage & Freight) basis.

• **Short-Tender Notice**

In some cases where there is urgent requirement of goods or services and the time for the purchase of these stores is less than the normally given time in open tenders, then short tender notices are called.

• **Term Contract Tenders**

In case where the goods or services are required for all the year round or for a specific period term contract or running contract tenders are called.

• **Corrigendum**

When there has been any addition/alternation or typing mistake in the original tender published, then a correction or amendment notice is published which is known as Corrigendum.

• **Extension Notice**

When the dates of opening of the tenders are extended due to any reason. A notice is published in the press as extension notice for the information of concerned suppliers.

• **Cancellation Notice**

When a tender already published is to be cancelled due to any reason, a

cancellation notice is published referring to the original tender.

**15. Re-Tender Notice**

After the cancellation of a tender notice if it is decided to call the quotations again. The same tender is published again as Re-Tender Notice.

**Choosing Your Opportunity**

Now you can choose the opportunity for which you can tender for. You need to determine what is the best strategy for your firm and choose whether to compete in the open tender or focus on becoming a pre- qualified contractor or supplier and therefore able to tender for a much larger range of contracts.