

International Bidding Issues of the SfP Project 983054

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Outline

- NATO rules
- Relevant results/discussions from the Ig WS
- Discussions to finalize the road map that will be followed in the international bidding(s)

Procurement of equipments of relatively high values

Payments of items with an estimated net value of 5,000 EUR or more are done by NATO directly to the vendor.

For purchases valued 12,500 EUR or more, the competitive bidding is compulsory.

Important points in Competitive Bidding

The competitive bidding is performed by the Project Co-Director whose team will directly benefit from the material purchased.

The selection of the vendor is then proposed to the NPD. NPD may request further information about the entire procedure.

Upon NPD's approval, the vendor will be directly paid by NATO.

Competative Bidding Procedure

- Prepare a Statement of Requirements: brief description about the item and its use, the delivery schedule, maintenance and operating instructions, spare parts, availability of local maintenance etc.
- Issue a written Request of Bids to at least three qualified vendors or manufacturers. The proposals should be submitted to the Project Co-Director before a specific date (in sealed envelopes).
- The Project Co-Director evaluates the bids. The evaluation of the proposals should be documented in suitable tables with clear price comparisons and a short justification for the selected vendor. The most favorable terms of payment should be negotiated before the final approvals of NPD and NATO.

Terms and procedure of payments

Recommendation of NATO: A three step payment procedure should be negotiated with the vendor (e.g. 50% in advance, 40% upon delivery and 10% upon successful installation).

The following documents must be sent to the NPD for approval and payment:

- a) A PRF completed for the first payment step (should include the comparative price table about the bidding and the justification for the selection of the vendor.
- b) To ensure timely payment of the other payment steps, the PRFs of other payment steps (these will be issued later by NATO).
- c) The relevant quotations from the other vendors.

Other important points to remember

Procurements for which SfP funds are used should be from vendors located in NATO, Partner or Mediterranean Dialogue countries. This requirement may be waived if the price from another country is substantially (>25%) lower.

It is not possible to issue a letter of credit by NATO to guarantee the payments. If the vendor insists on such a document, a letter can be issued and sent by NATO to the Project Co-Director.

SfP funds cannot be used for the payment of VAT, customs duty on imported equipment or any other taxes: Tax and customs duty exoneration. Examples of tax-exoneration and customs clearance letter are given in the Project Management Handbook.

Instrument Procurements in the Project

- WS at Ig, Slovenia resulted in the following minimum requirements for the strong motion instruments:

number of channels: 3, sensor type: Tri axial-force balance, full scale: +/- 1g (minimum), capable of real time monitoring, TCP/IP compatibility, modem (Optional), sampling: 200 sps, timing: GPS, power autonomy: 70 hours (without external battery), operating temperature: -20°C to +70°C

-Seperate biddings for weak- and strong-motion instrument purchases (one of the issues discussed in the WS at Ig)

-Possible companies for the bidding invitation (via Prof. Milutinovich):

Guralp Sytems, Kinematics, Lennartz Electronic, Micromed, System and Data Research, LEAS