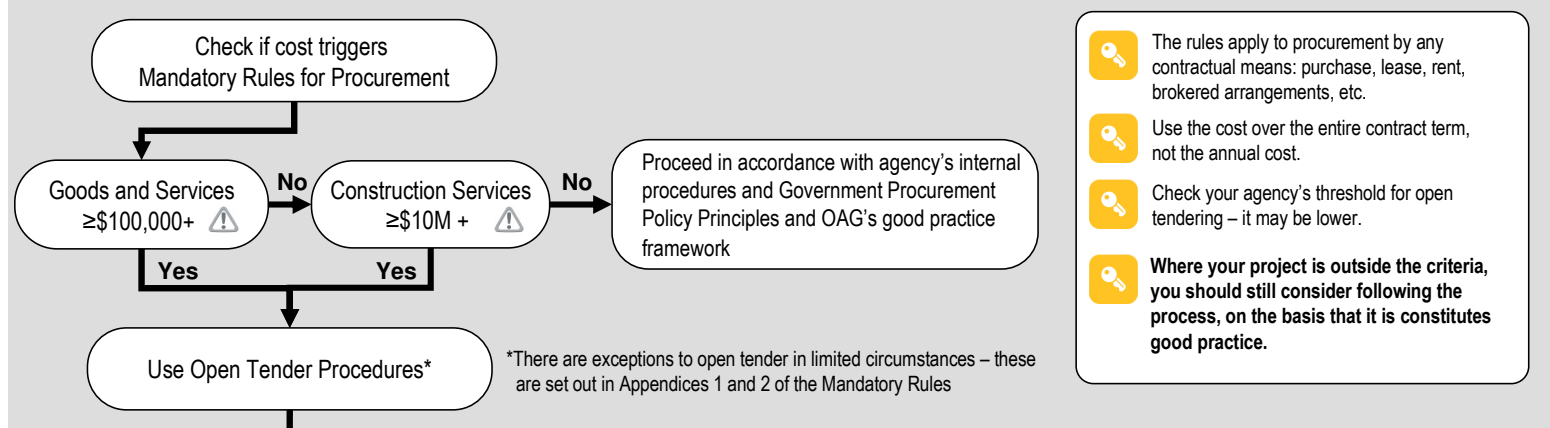


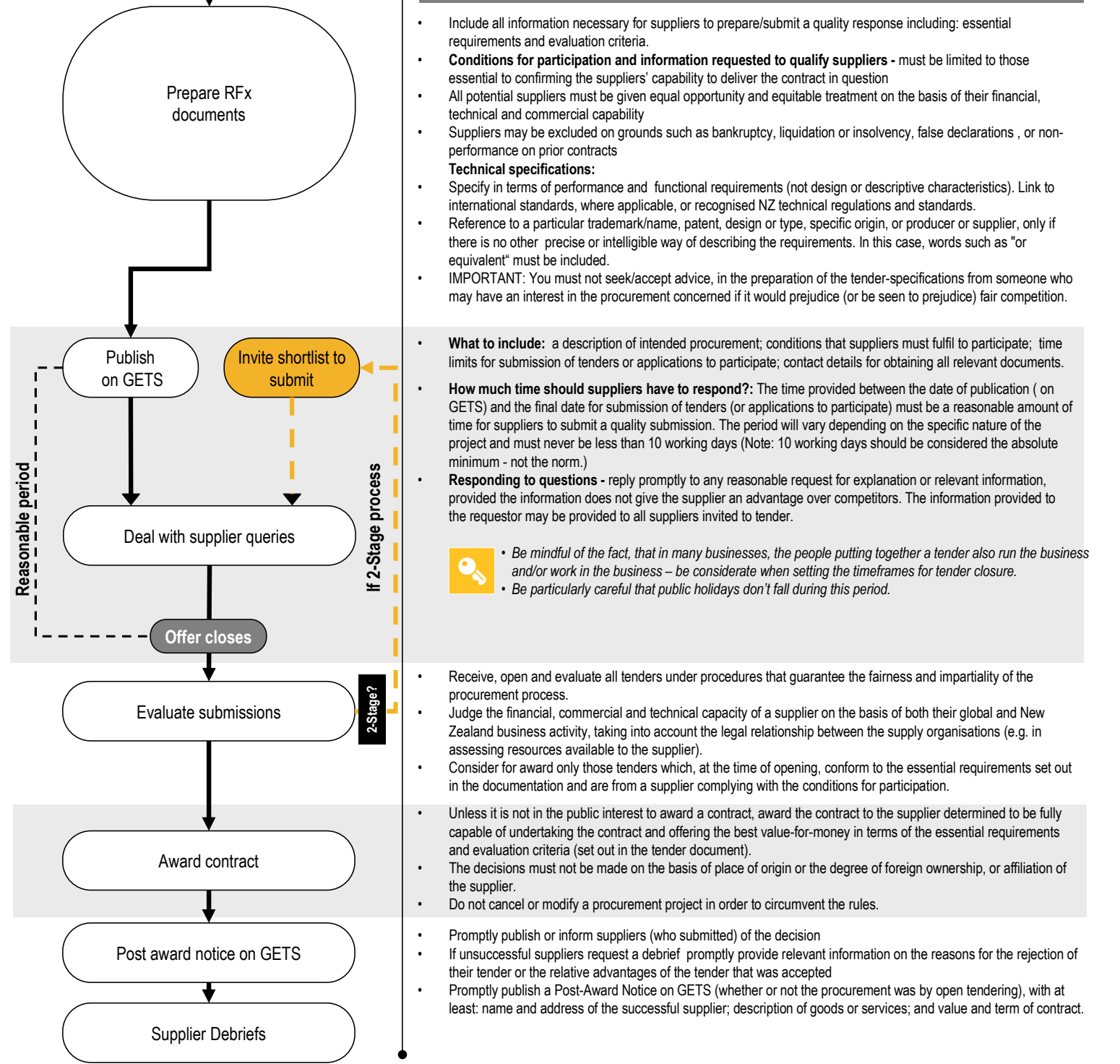
Tender Process - Mandatory Rules for Procurement

This flowchart illustrates the major milestones within the process. It should not be regarded as a comprehensive 'how-to' guide.



- The rules apply to procurement by any contractual means: purchase, lease, rent, brokered arrangements, etc.
- Use the cost over the entire contract term, not the annual cost.
- Check your agency's threshold for open tendering – it may be lower.
- Where your project is outside the criteria, you should still consider following the process, on the basis that it constitutes good practice.**

Open Tender Procedure - Key points about each step



- Include all information necessary for suppliers to prepare/submit a quality response including: essential requirements and evaluation criteria.
- **Conditions for participation and information requested to qualify suppliers** - must be limited to those essential to confirming the suppliers' capability to deliver the contract in question
- All potential suppliers must be given equal opportunity and equitable treatment on the basis of their financial, technical and commercial capability
- Suppliers may be excluded on grounds such as bankruptcy, liquidation or insolvency, false declarations, or non-performance on prior contracts
- **Technical specifications:**
- Specify in terms of performance and functional requirements (not design or descriptive characteristics). Link to international standards, where applicable, or recognised NZ technical regulations and standards.
- Reference to a particular trademark/name, patent, design or type, specific origin, or producer or supplier, only if there is no other precise or intelligible way of describing the requirements. In this case, words such as "or equivalent" must be included.
- **IMPORTANT:** You must not seek/accept advice, in the preparation of the tender-specifications from someone who may have an interest in the procurement concerned if it would prejudice (or be seen to prejudice) fair competition.

- **What to include:** a description of intended procurement; conditions that suppliers must fulfil to participate; time limits for submission of tenders or applications to participate; contact details for obtaining all relevant documents.
- **How much time should suppliers have to respond?:** The time provided between the date of publication (on GETS) and the final date for submission of tenders (or applications to participate) must be a reasonable amount of time for suppliers to submit a quality submission. The period will vary depending on the specific nature of the project and must never be less than 10 working days (Note: 10 working days should be considered the absolute minimum - not the norm.)
- **Responding to questions** - reply promptly to any reasonable request for explanation or relevant information, provided the information does not give the supplier an advantage over competitors. The information provided to the requestor may be provided to all suppliers invited to tender.

- Be mindful of the fact, that in many businesses, the people putting together a tender also run the business and/or work in the business – be considerate when setting the timeframes for tender closure.
- Be particularly careful that public holidays don't fall during this period.

- Receive, open and evaluate all tenders under procedures that guarantee the fairness and impartiality of the procurement process.
- Judge the financial, commercial and technical capacity of a supplier on the basis of both their global and New Zealand business activity, taking into account the legal relationship between the supply organisations (e.g. in assessing resources available to the supplier).
- Consider for award only those tenders which, at the time of opening, conform to the essential requirements set out in the documentation and are from a supplier complying with the conditions for participation.
- Unless it is not in the public interest to award a contract, award the contract to the supplier determined to be fully capable of undertaking the contract and offering the best value-for-money in terms of the essential requirements and evaluation criteria (set out in the tender document).
- The decisions must not be made on the basis of place of origin or the degree of foreign ownership, or affiliation of the supplier.
- Do not cancel or modify a procurement project in order to circumvent the rules.

- Promptly publish or inform suppliers (who submitted) of the decision
- If unsuccessful suppliers request a debrief promptly provide relevant information on the reasons for the rejection of their tender or the relative advantages of the tender that was accepted
- Promptly publish a Post-Award Notice on GETS (whether or not the procurement was by open tendering), with at least: name and address of the successful supplier; description of goods or services; and value and term of contract.