

EXPLANATORY NOTE

USE OF PRICE – QUALITY RATIO IN THE TENDER PROCEDURE

The subject of the tender is the supply, delivery, installation, commissioning, maintenance, and after-sales service of components for sixteen (16) solar PV off grid systems at several capacity levels to remote public schools in the Philippines including solar panels, inverters, batteries, and balance of systems.

Following the principles in Annex IV of the Grant Contract No 2018/403-131 the procurement contract shall be awarded to the tender offering the best value for money (i.e. the tender offering the best price-quality ratio).

The PV systems are described in a way that the required direct current (DC) power output for the PV system in watt peak (Wp), the alternating current (AC) power output of the 230V single phase inverter in volt ampere (VA) and the energy storage of the battery bank in watt hour (Wh) are specified for each school. With these parameters, the power requirements for each school are clearly defined but it is up to the tenderers to come up with their best technical solution to fulfil the requirements. Therefore, the tender is open to all bidders because it allows a variety of PV system solutions with a combination of different battery charging systems and AC inverters.

In summary, the tender includes the following significant ancillary services:

- Conceptualization of the PV system solutions to reach the required power output and energy storage per school
- Installation and commissioning of the systems
- Maintenance and after-sales services (maintenance visits on a semi-annual basis for one year for each school)
- End user training including user and maintenance manual.

Given the variety of solutions possible to reach the required power output per PV system and the other ancillary services, the evaluation of the tender is based on the best price-quality ratio criterion to make sure that the best PV system and service within the budget range will be awarded.

The evaluation is based on the following criteria and sequential steps:

Step 1 - Administrative compliance:

Tenderers that comply with the formal requirements and the eligibility rules are considered further in the evaluation.

Step 2 - Technical compliance:

Tenderers that reach a technical evaluation score that is 30 points or more are considered further in the evaluation. If they do not meet the minimum technical requirements specified in the tender dossier by the required power output and energy storage (critical technical qualification criteria in evaluation matrix, part one) their score is 0 and they will be excluded.

Step 3 - Financial evaluation:

Tenderers that submit an offer that is within the maximum budget available for the project are considered further in the evaluation. Offers are checked for arithmetic errors and applicable discounts.

Step 4 - Price-Quality ratio (overall score):

The tenderer that reaches the highest result in the quality-price ratio score is awarded the contract. The price-quality score is based on the following computation:

Quality score divided by price tendered (in thousand PHP), which gives a figure that represents how many quality points the tenderer scored for each thousand PHP that the tenderer intends to charge the contracting authority.

Details of the technical evaluation procedure and the relative weightings given to award criteria are described in the Evaluation Matrix and the Annex – Guide to evaluation matrix (Part C of the tender dossier).