

## Preamble

This Section specifies the base line methodology for the evaluation of submitted proposals in order to establish their responsiveness to the requirements of the Procurement Document and Participants' capability and ability to perform the proposed Contract successfully. The latter shall be carried out with reference to the criteria set forth in Section IV, Eligibility and Qualification Criteria.

The evaluation methodology shall also be used to determine the most economically advantageous proposal for the Contract subject to the Procurement Process.

The evaluation methodology shall take due account of the respective provisions of the Section I, Instructions to Participants, and Section II, Data Sheet.

No other factors, methods or criteria shall be used.

The Client shall adjust and finalise the evaluation methodology to reflect the project goals, social and economic considerations, the nature of the goods and related services and the Contract conditions.



### A. Proposal Evaluation

#### General

The evaluation of proposals shall be carried out based on the information submitted pursuant to the provisions of ITP 10.

If provided for under ITP 11 the Client shall also evaluate any alternatives offered by the Participant.

During the evaluation the Client shall follow the instructions provided in ITP 23-32, as appropriate.

## **1. Preliminary Examination**

Proposals shall be examined to check that all documents required by the Procurement Document have been submitted. It shall be followed by verification whether the documents are correctly signed by an authorised person, appropriate power of attorney is enclosed, proposal validity period is correct, the tender security, if required, is substantially responsive, forms contain all the required information etc.

Where necessary and provided for by the ITP, the Client shall request a Participant to submit within a reasonable period of time any necessary missing information or documentation.

To assist with the examination, evaluation, and comparison of proposals as well as with the assessment of the eligibility and qualification of the Participants, the Client may ask, at its discretion, any Participant for a clarification of its proposal, allowing a reasonable time for response.

Proposals that are not substantially complete or which otherwise do not provide a basis for detailed evaluation shall not be considered further and shall be rejected.

## **2. Detailed Technical Evaluation**

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The Client shall evaluate the technical and, as appropriate legal, aspects of the Letter of Tender, the Covenant of Integrity and the Technical Documentation vis-à-vis the requirements set forth in the Procurement Document with special focus on in Section VI, Requirements, and Section VII, Contract Terms and Conditions.

During the evaluation of the technical aspects of the proposal, the Client shall assess inter alia the following information:

(i) the compliance of the Goods with the Requirements;

- (ii) the arrangements for the Related Services, if any;
- (iii) the arrangements for maintenance, repair of the Goods and spare parts stocking obligations etc.
- (iv) the Delivery Schedule;
- (v) the Quality Assurance plan;
- (vi) the Environmental, Social, Health and Safety plan;
- (vii) the manufacturer's capacity to produce (or vendor's capacity to supply) the Goods to enable the proposed Delivery Schedule during the planned Contract implementation period, taking into account the commitments under other contracts;
- (viii) the Subcontracting/sub-supplier arrangements;

Technical alternatives, which comply with the Client's requirements shall be considered by the Client on their own merits.

Proposals that are found after detailed examination not to be substantially responsive to the requirements of the Procurement Document shall be rejected.

All proposals found to be substantially responsive to the requirements of the Procurement Document, pursuant to the provisions of ITP 25, shall be subject to further financial evaluation.

### **3. Detailed Economic and Financial Evaluation**

#### **3.1 General Considerations**

The Client shall evaluate the financial aspects of the Letter of Tender and the Financial Documentation vis-à-vis the requirements set forth in the Procurement Document and taking into account the respective Technical Documentation submitted by the Participants.

The Client shall determine for each proposal the respective evaluated price by adjusting the proposal price stated in the Letter of Tenders, as follows:

- (i) correcting arithmetical errors;
- (ii) applying the discounts offered, if any, by Participants;
- (iii) adding the cost of quantifiable non-material

- nonconformities;
- (iv) converting, if applicable, into the common evaluation currency;
- (v) adjusting for economic factors, taking into account alternative technical proposals and alternative delivery time, as appropriate; and
- (vi) applying further evaluation factors.

### **3.2 Correction of Arithmetical Errors**

The Client shall check the arithmetic and correct any arithmetical errors of the proposals, which passed the detailed legal and technical examination and shall correct any errors in accordance with the provision of ITP 27.

### **3.3 Discounts**

The Client shall adjust the proposal price for any discounts proposed by respective Participants, using the methodology prescribed by them in the Participant in its Letter of Tender.

In case of any ambiguity in the Participant's methodology, the benefit of the doubt in its interpretation shall be given to the Client. If a Participant does not accept the Client's determination, its proposal shall be declared non-responsive and its tender security may be forfeited.

### **3.4 Adjustments for Quantifiable Non-material Nonconformities**

The Client shall follow the instructions of ITP 26 and adjust the proposal price to account for any quantifiable Deviations, Reservations or Omissions.

### **3.5 Conversion to a Single Currency**

For evaluation and comparison purposes, the Client shall convert the corrected tender prices to a single currency EUR at the selling rates established by <https://www.xe.com/currencytables/> on the date of the Tender Opening.

### 3.6 Further Adjustments

The Client shall apply further adjustments to calculate the evaluated tender price:

#### **Performance of the Goods:**

***Since electricity consumption forms one of the main factors in operational performance of the Trolleybuses, the respective costs shall be evaluated as detailed below, as part of the Operating and Maintenance Costs.***

For these purposes the Participant shall state the guaranteed performance or efficiency of the Trolleybus proposed in response to the Requirements by filling out the Declaration of Electricity Consumption of the Proposed Vehicles for a Distance of 1.00 km Per Vehicle (using the template included in Tender Forms).

The actual electricity consumption of the Trolleybuses shall be tested upon the Trolleybuses delivery and calculated in accordance with the methodology detailed in chapter XII Section VI Requirements. In case the actual electricity consumption exceeds the amount declared by the Participant in its Tender, by seven (7%) per cent or more, the Purchaser shall be eligible for a compensation for the increased electricity costs incurred, as detailed in the Contract conditions, clause GCC 19.5, in the amount calculated in accordance with the methodology and on the basis of the formula for evaluation of electricity consumption costs of the proposed trolleybuses, as detailed below in this document.

#### **Operating and Maintenance Costs:**

***Since the operating and maintenance costs of the Goods form a major part of the life cycle costs of the Trolleybuses, the respective selected costs shall be evaluated in accordance with the methodology detailed below.***

The Participants shall provide the following data which will be deemed to be guaranteed by the Participant:

1. The electricity consumption costs for the period of 10 years based on Declared electricity consumption of the Trolleybuses calculated/estimated by the Participant for the route and conditions of operation detailed in chapter XII Section VI Requirements, assuming the price of kWh of EUR 0.2268.
2. The priced lists of Spare parts and materials for the maintenance and servicing and the calculated labour costs for the maintenance and servicing of the 73 Trolleybuses over the period of 10 years in accordance with the Manufacturer's service and maintenance manual for the Trolleybus proposed in the Tender and assessing the hourly rate of work (labour) offered by the Participant,
3. The priced lists of Non-warranty spare parts and materials for 73 Trolleybuses over the period of 5 years in accordance with the list and quantities stipulated in Section VI Requirements and detailed by the Participant in the Price Schedules for the Tender.

The Participants shall provide the above calculations of the operating and maintenance costs in respect of the **73 trolleybuses over the period of 10 years using the annual discount rate of 5%.**

**The selected operating and maintenance costs (OMC) of the proposed Trolleybuses shall be evaluated in accordance with the following methodology and on the basis of the following formulae:**

**Where:**

**OMC – Operating and Maintenance Costs;**

**– is the evaluated present value of cost for the**

## **proposed trolleybus electricity consumption**

calculated based on the following formula:

*where,*

- is the Supplier's declared electricity consumption rate of the proposed Trolleybus in kWh/km;
- is the fixed price of electricity in EUR/kWh, which for the purpose of evaluation is set at 0.2268 EUR/kWh;
- annual mileage of one trolleybus in kilometers, which for the purpose of evaluation is set at 80 000 km;
- is an annual discount rate equal to 5% (five per cent);
- is number of a year.

**– is the evaluated present value of the proposed trolleybus maintenance and servicing spare parts and works** (labour) for the period of 10 years calculated based on the following formula:

*where,*

- is an **annual cost of the maintenance and servicing spare parts and works** (labour) of the proposed Trolleybus in euro for the year  $n$ . The cost of a particular year is calculated based on the Manufacturer's service and maintenance manual for the Trolleybus proposed in the Tender as submitted by the Participant and assessing the hourly rate of maintenance and servicing work (labour) offered by the Participant;
- is an annual discount rate equal to 5% (five per cent);
- is number of a year.

**– is the evaluated present value of the Non-Warranty spare parts** set for the period of 10 years calculated based on the formula here below:

*where,*

- is the **total price for the Non-Warranty spare part set** as per list and quantities stipulated in the Requirements and provided by the Participant in the

Price Schedules.

- is an annual discount rate equal to 5% (five per cent);
- is number of a year.

### **Determination of the Evaluated Tender Price**

The Client will determine for each tender the evaluated tender price by adjusting the tender price as follows:

- (i) Making any correction for arithmetical errors;
- (ii) Adjusting for the contingencies;
- (iii) Applying the discounts offered, if any, by the Participant;
- (iv) Converting, if applicable, into the common evaluation currency;
- (v) Adding the cost of quantifiable non-material deviations and omissions;
- (vi) Adjusting for Operating and Maintenance Costs (OMC);

### **3.7 Determination of Most Economically Advantageous Proposal**

The most economically advantageous proposal is the proposal which has *the lowest evaluated proposal price*.

## **4. Evaluation of Eligibility and Qualification**

The Client shall determine to its satisfaction whether the Participant, who has been determined to have submitted the substantially responsive and the most economically advantageous proposal meets the eligibility and qualification criteria and requirements, specified in ITP and Section IV, Eligibility and Qualification Criteria.

The methodology for the assessment is defined in Part B of Section III, Evaluation Methodology.

In the event that a prequalification of the Participants



has been undertaken the Client shall establish whether any conditions for prequalification were met by Participants.

An affirmative determination of the Participant's eligibility and qualification shall be a prerequisite for award of the Contract to the Participant. A negative determination shall result in rejection of the proposal, in which event the Client shall proceed to the Participant, who submitted the next substantially responsive and the most economically advantageous proposal to make similar determination of that Participant's eligibility and qualifications to perform the Contract successfully.

#### **5. Verification in Respect of Exclusions from Contract Award**

The Client through application of the provisions of ITP 31 shall verify if there are any grounds for exclusion of the Participant, who has been determined to have submitted the substantially responsive and the most economically advantageous proposal, from award of the Contract. If such grounds exist, the Client shall reject the respective proposal and proceed to the Participant, who submitted the next substantially responsive and the most economically advantageous proposal to make similar determination.

#### **6. Substitution of Financial Institutions**

The Client may request the successful Participant to substitute financial institutions proposed by the Participant for receiving payments, providing bank guarantees or insurance policies under the Contract, if it was determined that their involvement may prohibit or impair in any material respect payments or the enforceability of these bank guarantees or insurance policies by the Client. □

#### **B. Eligibility and Qualification Evaluation**

In order to be qualified for the Contract award, a Participant shall demonstrate to the Client that it substantially meets all eligibility and qualification requirements set forth in ITP 4 and ITP 30, as well as

the criteria specified in Section IV, Eligibility and Qualification Criteria.

The evaluation of Participants' eligibility and qualification shall be carried out, based on the information submitted pursuant to the provisions of ITP 10.

## **1. Eligibility**

Participants shall be eligible for award of the Contract, as stated in the Procurement Document.

## **2. Qualification**

### **2.1 Experience**

The Client shall assess information and evidence to determine whether the Participant substantially meets the criteria for specific experience for the time period stated in Section IV, Eligibility and Qualification Criteria.

Where necessary, the Client may make inquiries with the Participant's clients in respect of the reference projects or contracts.

### **2.2 Financial Situation**

The financial information shall be provided for the time periods stated in Section IV, Eligibility and Qualification Criteria.

The submitted annual financial statements for the required period must demonstrate the soundness of the Participant's financial position, showing long-term profitability. Consistent losses or a risk of insolvency shown in the accounts may be cause for the disqualification of the Participant.

The Participant shall have the financial resources free of ongoing obligations and recent contract awards, for which the Participant shall provide information.

The Client may reject the proposal if the level of the confirmed commitments to be carried out in parallel with the Contract exceeds the Participant's annual revenues for the previous year by a factor of 1.5.

Where necessary, the Client may make inquiries with the Participant's banks.

### **2.3 Historical Contract Non-Performance**

Non-performance, as determined by the former or current clients, includes any contracts where (a) non-performance was not challenged by the Participant, including through referral to the dispute resolution mechanism under the respective contracts, or (b) non-performance was so challenged, but was fully settled against the Participant. Non-performance shall not include contracts, where client's decision was overruled by the dispute resolution mechanism. Determination of non-performance must be based on information on fully settled disputes or litigations, i.e. dispute or litigation that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the Participant have been exhausted.

The information in respect of litigation or arbitration shall be provided for the time period stated in Section IV, Eligibility and Qualification Criteria. It shall include any pending litigations or arbitration.

A consistent history of litigation or arbitration awards against the Participant or any partner of a JVCA or their non-performance under the contracts may result in rejection of the proposal.

### **2.4 Environmental, Social, Health and Safety Records**

The Participant shall meet the criteria for Environmental, Social, Health and Safety records and experience for the time periods stated in Section IV, Eligibility and Qualification Criteria.

### **2.5 Specific Requirements with regard to JVCA**

A JVCA must satisfy the following minimum qualification requirements:

- (a) the JVCA must satisfy collectively all the qualification criteria, for which purpose the relevant figures for

each of the partners shall be added to arrive at the JVCA's total capacity; and

- (b) each partner of the JVCA shall fully satisfy the requirements with regard to the soundness of the financial position and non-performance history. They also shall individually meet the share/percentage of certain qualifying criteria, as stated in Section IV, Eligibility and Qualification Criteria.

## **2.6 Subcontractors**

The Client shall assess eligibility and qualification of the Subcontractors, proposed by the Participant in its Technical Documentation for supplies of any parts of the Goods estimated to be in excess of 10% percent of the estimated value of the Contract, or for the specific Services under the Contract, namely:

- manufacturing and supply of the trolleybuses traction batteries;
- manufacturing and supply of the trolleybuses traction motor;
- manufacturing and supply of the trolleybuses traction control units,
- manufacturing and supply of the trolleybuses rear axle,
- logistics agents;
- warranty service centres

The Subcontractor's financial information shall be disregarded for the purposes of qualification of the Participant. However, their specific experience related to the Contract and/or availability of licenses, where required, may be taken into account.

The Participants shall demonstrate that the Subcontractors proposed for the Contract substantially satisfy the qualification criteria stated in Section IV, Eligibility and Qualification Criteria.

## **3. Substitution of Subcontractors or Personnel**

The Client may request the successful Participant to substitute Subcontractors or, where appropriate

Personnel, who were determined to be unacceptable in accordance with ITP.

#### **4. Exceptions**

Notwithstanding the above provisions, in the event that a Participant is prohibited by an applicable law from providing the Client with specific information or documents required to proof the Participant's qualifications, the absence of such information or documents shall not result in the rejection of its proposal, provided that the respective prohibition is evidenced by the Participant in its proposal, and the other information and documents submitted by the Participant demonstrate their ability to perform the proposed Contract successfully.