

Trading Places with the UN: One hour in the UN Shoes

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Scenario

- ▶ UN Peacekeeping Missions are required:
 - ▶ to keep between 7 and 14 days of supply of Combat Ration Packs
 - ▶ at all times as a way to mitigate safety and security risks.
- ▶ Those Missions support approximately 110,000 military and 9,000 civilian personnel.
- ▶ Combat Ration Packs are being supplied by one contractor to all Missions.
- ▶ The contract is expiring next year and the UN is looking to rebid the requirement in line with its principles of Procurement.

Action from Procurement

- ▶ While the final details of the requirement are being finalized by the Logistics Division of the Department of Operational Support (DOS), the Procurement Division has started to look for potential bidders for this requirement.
- ▶ Question 1: if you were the PD case officer, what would you do?

TIP 1



Register at www.ungm.org



TIP 2



Keep abreast of **Expressions of Interest (EOI's)**

EOI

COMPANY INFORMATION

UN Global Market Place (UNGM) Vendor ID Number*:

Legal Company Name (Not trade name or DBA name) *:

Company Contact *:

Address *:

City *:

State :

Postal Code * :

Country *:

Phone Number *:

Fax Number *:

Email Address *:

Company Website:

We declare that our company fully meets the prerequisites A, B, C, D, E and F, for eligibility to register with the United Nations as outlined in the paragraph 1 of the EOI INSTRUCTIONS page.

Signature : _____

Date: _____

Name and Title : _____



Solicitation Instrument

- ▶ The successful bidder will be required:
 - ▶ to demonstrate excellence in their food safety management systems,
 - ▶ sufficient production capacity to meet the UN demand,
 - ▶ compliance with nutritional requirements,
 - ▶ a sufficient number of menus for different nutritional groups,
 - ▶ robust packaging and labelling standards
 - ▶ and the capacity to manage a complex supply chain with deliveries to the Peacekeeping Missions.

Question 2: if you were the PD case officer, what solicitation instrument would you use?

An aerial photograph of a dense urban skyline, likely New York City, featuring numerous skyscrapers and buildings. A prominent yellow starburst graphic is located in the upper left corner, containing the text 'TIP 3'.

TIP 3

Know the winning strategy for each **solicitation instrument**

Solicitation instruments

| Type | Requirements | Best Value for Money | Winning strategy |
|------------------------------------|---|------------------------------------|---|
| Invitation to Bid (ITB) | Perfectly defined | Technically compliant, lowest cost | Deliver according to the requirement while not over specifying |
| Request for Proposal (RFP) | UN is asking for the bidder's expertise to formulate a complex proposal | Qualified, most responsive | Exceed expectations in the response to the technical requirement while keeping a low cost |
| Request for Quotation (RFQ) | below \$50,000 | | |



Conditions / Bids

- ▶ The bid required bidders to submit proposals in 2 sealed envelopes - one envelope with the technical proposal and the other envelope with the financial offer. Failure to do so will lead to disqualification.
- ▶ The bid specifies that the technical offer will carry a weight of 60% in the final decision and the Financial Offer will be weighted 40%. The cut-off score for a technical offer to be deemed as technically compliant is 70%.
- ▶ In accordance to the conditions set forth in the bid, it is mandatory that the bidders have a recognized Food Safety Management System Certificate for their production facility, and they demonstrate experience supplying similar packs for the last 5 years.

TIP 4



Select the right tender

Scope of Requirement

- ▶ The Scope of Requirement (SOR) annexed to the bid carefully explains the details of the requirement, and requires the bidders to submit the following information as part of their technical proposal:
 - ▶ Menu options for all types of CRP's
 - ▶ Test results demonstrating that the CRP's meet the nutritional requirements, storage requirements, vibration requirements, etc.
 - ▶ Details about the manufacturing of the CRP's
 - ▶ A proposal for the packaging and labelling
 - ▶ A proposal for the logistics and distribution to all Missions.



TIP 5



Identify the evaluation criteria

TIP 6



Be precise while maximizing your competitive advantage

Bid indications

- ▶ The bid states that:
 - ▶ the prices for each type of CRP's must remain valid for the initial term of the Contract, which will be 3+1+1 years.
 - ▶ The successful bidder must, upon signature of the Contract, provide an Independent Bank Guarantee in the amount of 10% of the total amount envisaged for the initial term of the Contract.
 - ▶ The bidder needs to accept the United Nations General Conditions of Contract is mandatory.



TIP 7

Study the terms

Scope of Requirement

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 - ▶ Details about the manufacturing of the CRP's
 - ▶ A proposal for the packaging and labelling
 - ▶ A proposal for the logistics and distribution to all Missions.

A group of Nepalese police officers in blue uniforms and berets standing in formation outdoors. The officers are wearing dark blue jackets with "NEPAL POLICE" patches and blue berets with a white emblem. The background shows a blurred outdoor setting with other officers and some structures.

TIP 8

Respect form and deadline

Bid Opening 1 / 2

- ▶ By the bid closing date PD received 9 bids. The bid opening unit opened the packages in a public ceremony.

| # | Separate sealed Technical Offer | Separate sealed Financial Offer | Observation | Questions |
|---|---------------------------------|---------------------------------|--|--|
| 1 | YES | YES | | |
| 2 | NO | NO | Bid opening team opened the envelope and found loose documents - technical and financial in the envelope | Question 3: If you were the director of PD - what would you do? |
| 3 | YES | YES | | |
| 4 | YES | YES | | |
| 5 | YES | YES | | |

Bid Opening 2/2

| # | Separate sealed Technical Offer | Separate sealed Financial Offer | Observation | Questions |
|---|---------------------------------|---------------------------------|---|--|
| 6 | YES | YES | Delivered by hand 20 minutes after the bid closing deadline | Question 4: If you were the director of PD - what will you do? |
| 7 | YES | YES | | |
| 8 | YES | YES | | |
| 9 | YES | YES | Supplier's name not on invitee list | Question 5: If you were the director of PD - what will you do? |

Technical Evaluation

- ▶ PD submitted the Technical Offers to the Technical Evaluation Committee of the bid for evaluation.
- ▶ Following the evaluation, the Technical Evaluation Committee submitted the technical report with the following scores.

| # | Food Safety Certificate | More than 5 years' experience | Menu options (max 200) | Test results (max 200) | Manu-facturing (max 200) | Labelling (max 200) | Logistics (max 200) |
|---|-------------------------|-------------------------------|------------------------|------------------------|--------------------------|---------------------|---------------------|
| 1 | yes | yes | 200 | 100 | 100 | 50 | 50 |
| 2 | yes | yes | 200 | 200 | 100 | 100 | 150 |
| 3 | no | yes | 200 | 200 | 200 | 200 | 200 |
| 4 | yes | yes | 200 | 200 | 200 | 100 | 150 |
| 5 | yes | unclear | 200 | 200 | 200 | 100 | 100 |
| 6 | yes | yes | 150 | 200 | 200 | 200 | 200 |

1: 500 NO (under the threshold)

2: 750 YES

3: 1000 NO (mandatory)

4: 850 YES

5: 800 NO (as an example)

6: 950 YES

Question 6: which companies failed the Technical Evaluation?

Financial Evaluation

- ▶ The PD case officer performed a commercial evaluation of the offers, making sure that all the components of the cost submitted by the suppliers were carefully added to come up with a total cost of the Contract. The evaluation of Financial Offers gave the following results:

| # | Estimated quantity TYPE A | Quoted price TYPE A | Estimated quantity TYPE B | Quoted price TYPE B | Financial offer |
|---|------------------------------|------------------------|------------------------------|------------------------|-----------------|
| 2 | 3,000,000 | \$10 | 2,000,000 | \$15 | \$60,000,000 |
| 4 | | \$9 | | \$14 | \$55,000,000 |
| 6 | | \$11 | | \$18 | \$69,000,000 |

Best Value for Money

- ▶ Following this, the PD case officer calculated the Best Value for Money computation in accordance to the terms of the bid.

| # | Technical Evaluation | Weighted 60% | Financial offer | Financial Offer weighted 40% | Aggregate BVM Score. |
|---|----------------------|--------------|-----------------|------------------------------|----------------------|
| 2 | 750 | 450 | \$60,000,000 | 367 | 817 |
| 4 | 850 | 510 | \$55,000,000 | 400 | 910 |
| 6 | 950 | 570 | \$69,000,000. | 319 | 889 |

Question 7: what company would you recommend for award?

- ▶ Upon signature of the Contract with the winning bidder, the PD case officer sent letters of regret to all 8 unsuccessful bidders.
- ▶ The day after receiving that letter, a representative of one of the companies called PD bitterly complaining about the outcome of the solicitation.

Question 8: what would you do as the PD case officer?



TIP 9

Ask for a debrief

TIP 10



Persevere



THANK YOU!