



 KfW Procurement Procedures

Bank aus Verantwortung

KFW

»»» Successful tendering in KfW -financed projects

»»» Successful tendering

How?

**Project References related to the contractual scope
(sector- / regional- / country-specific)**

**Available Personnel and Human Resource Capacity:
(sector- / regional- / country-specific, with adequate
language skills)**

**Local cooperation partners (usually as local sub-
consultants)**

**Read the tender documents carefully and stick to the
provisions required**

»»» KfW-Procurement Guidelines & Standard Bidding Documents

Overview

KfW Procurement Guidelines and Standard Bidding Documents Consulting

<https://www.kfw-entwicklungsbank.de/Internationale-Finanzierung/KfW-Entwicklungsbank/Publikationen-Videos/Publikationsreihen/Richtlinien-und-Vertraege/>



+ Finanzprodukte

+ Richtlinien

+ Musterausschreibungsunterlagen und -verträge

KfW Procurement Guidelines (Version 2019)

New Version
(Jan. 2021)

Guidelines for all procurement processes of KfW Development Bank.
For Consultants special relevance to Chapters 1.3 (Eligibility), 1.4 (Sanctionable Practice), 2 (General Provisions for the Tender Process) and 3 (Provisions for Procurement of Consultants).

Consulting Services – 1 and 2 Stage

- Standard Prequalification Doc. (SPQ)
- Request for Proposal (RfP)

2-Stage-2 envelope procedure as standard procedure for international competitive bidding: consisting of SPQ (stage 1) and RfP (stage 2)

1-Stage-2 envelope procedure as standard procedure for tenders below EU-threshold consisting of RfP (in some cases with post-qualification)

Consulting Standard – contract template

New Version
(Jan. 2021)

> 200 kEUR contract amount

< 200 kEUR contract amount

Will be signed by Contractor and Project Executing Agency (only in few cases directly by KfW).

»»» Standard Bidding Documents

Structure and Design – SPQ and RFP

Standard Prequalification Document

List of Content

PREFACE

SECTION I – GENERAL PROVISIONS (GP)

SECTION II – SPECIAL PROVISIONS (SP)

SECTION III – APPLICATION FORMS

SECTION IV – ELIGIBILITY CRITERIA

SECTION V – KFW POLICY – SANCTIONABLE PRACTICE – SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

Basic structure:

- Pre-defined and fixed chapters

- Project-related chapters to be customized (with instructions in *italic*)

Standard Request for Proposals for the Selection of Consultants

LETTER OF INVITATION.....

PART 1 – TENDERING PROCEDURES.....

SECTION I. INSTRUCTIONS TO CONSULTANTS.....

SECTION II. DATA SHEET.....

SECTION III. TECHNICAL PROPOSAL – STANDARD FORMS.....

SECTION IV. FINANCIAL PROPOSAL - STANDARD FORMS.....

SECTION V. ELIGIBILITY CRITERIA.....

SECTION VI. KFW POLICY – SANCTIONABLE PRACTICE – SOCIAL AND ENVIRONMENTAL RESPONSIBILITY.....

PART 2 – TERMS OF REFERENCE.....

SECTION VII. TERMS OF REFERENCE.....

PART 3 – CONTRACT FORM.....

SECTION VIII. CONTRACT FOR CONSULTING SERVICES.....

»»» Successful tendering – Avoiding mistakes –

»» Successful tendering

Avoiding mistakes!

Major mistakes – reasons for disqualification

1. GP 2.2 and 2.4 / ITC 10 and 17: Reasons for disqualification
 - Late submission
 - Wrong address(es)
 - Wrong packaging
 - Missing original (with original signature)

2. Existing grounds of exclusion
 - Guidelines 1.3.1 Rules of Nationality and Origin (embargo)
 - Guidelines 1.3.2 Grounds for Exclusion (bankruptcy, criminal offenses, contract termination, WB debarment etc.
 - Guidelines 1.3.3 Conflict of Interest

Successful tendering

Avoiding mistakes!

Major mistakes during PQ – Reasons for disqualification

3. Provisions with potential mistakes in PQ

1. GP 2.2 Documents comprising the application

(b) Power of Attorney – if applicable

(d) Statements and Declarations:

I. **Declaration of Undertaking**

II. **Declaration on Conflict of Interest**

III. JV Agreement/Declaration of Association – if applicable

V. **Financial Capacity Statement**

If the Applicant is a JV, separate statements shall be provided by each member of the JV.

(e) Any other documentation required in the SP

e.g. ISO certificate.

Example – Financial Capacity

Criterion	Requirement	Single Entity	Joint Venture			Submission Requirements
			All Parties Combined	Each Party	One Party	
Turnover annually	Minimum turnover – 1 Mio. EUR (minimum turnover for the last three years)	Must meet req.	Must meet req.		800 TEUR	GP 2.2.1. d) V / Form 4
Current Ratio	Current ratio $\underline{\quad} > 1,1 \underline{\quad}$ (minimum current ratio)	Must meet req.		Must meet req.		GP 2.2.1. d) V / Form 4

Potential Mistakes: Liquidity Ratio has to be met by all JV-members!

»» Successful tendering

Avoiding mistakes!

Mistakes causing reduction of scoring

4. Provisions with potential mistakes in PQ

1. GP 2.2 Documents comprising the application

VI. List of project references

number and timing requirements → **SP 2.1.1**
required experience → **SP 4.2.2**

VII. List of Available Expertise and Human Resource Capacity

required expertise → **SP 1.6.1** and **4.2.2**

Example

SP

2.2.1(d) (VI) Project References: max. 15 over 5 years

4.2. Evaluation:

- 1.1. Experience in implementing similar projects (aiming at similar scope with similar contract amount)
- 1.2. Experience with working-conditions in developing and/or transition countries
- 1.3. Experience with working-conditions in *[indicate countries or regions]*.

Major mistakes:

- References are not within the requested time frame → Reference will not be considered for evaluation (In most of the cases: Relevant project reference was completed during the requested time frame; Reference has at least to be started within the requested time frame (Reduction of scoring))
- References are not comparable to the scope requested (0 Points) / only by far (reduction of scoring) comparable (other scope of contract / major difference in contractual amount)

»»» Successful tendering

Avoiding mistakes!

Major mistakes causing exclusion

5. Provisions may cause exclusion in Proposal

ITC 10 – Documents comprising the Proposal

10.1. Power of Attorney – if applicable

10.2. Declaration of Undertaking as per TECH-2

ITC 11 - only one proposal: sub-consultants, key experts

11.2. - A Sub-consultant whose qualification was taken into account during the prequalification phase

11.3. - Key Experts not in more than one Proposal unless stated in the Data Sheet.

ITC 12 – Bid validity (and key experts)

12.2 replacement of Key Experts in the initial Proposal validity period only if beyond the control of the bidder

Provisions may cause exclusion in Proposal

12.6 replacement of Key Experts during extended validity period acceptable in case of an equally or better qualified substitute

DS 14.1.5 – Bei Angabe eines Maximalbudgets:

Proposals exceeding the total available budget will be rejected

ITC 15 - The Technical Proposal shall not include financial information

ITC 27 – continued Eligibility and Qualification

ITC 29 – Negotiations

29.3 confirmation of availability of key experts

Examples

ITC 11.3. Same key experts are provided in multiple offers; bidders are not able to prove exclusivity of key experts

ITC 15: Provision of expected financial allocation to JV-Partners in absolute figures

Successful tendering

How!

Mistakes causing reduction of scoring

6. Specific mistakes- technical Proposal

DS 21.1. Evaluation

Concept and methodology

Clarity and completeness of the tender	5
Critical analysis of the project objectives and the Terms of Reference (TOR)	10
Proposed concepts and methods	20

Qualifications of proposed staff

Team leader / project manager	30
Other Key staff to be employed on the project	30
Personnel in the home office who will monitor and control the team, and provide back-up services	5

Tips

Tip

All chapters, sub-chapters and paragraphs shall be designed the same way and sequence

Tip

Submission of convincing CVs for key experts according to chapter 7 of ToR according to the template provided;
Make sure that all requested minimum criteria are complied with and reflected in CVs as well.

Summary

Check, if all project references meet the requirements provided in the tender documents

Check, if the capacity of experts meets the requirements provided in the tender documents

Check, if the local sub-consultant / JV-partner meets the requirements provided in the tender documents

Check and read carefully KfW's Guidelines and specific tender documents; take a closer look on potential reasons for mistakes and corresponding loss in scoring and grounds for exclusion / disqualification! Take your time for an intense quality check before submission of your offer!

»»» In that sense...



»»» Thank you!

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