

Assessment of Supplier Pre-qualification Requirements in Bhutan

Identifying opportunities for integrating environmental and
social criteria in the supplier pre-qualification stage

September 2015

Green Public Procurement in Bhutan

ABOUT GPP BHUTAN

The Green Public Procurement in Bhutan project (GPP Bhutan) is an EU-funded project under the EuropeAid SWITCH-Asia Programme. It aims to establish a strategic approach to scaling-up public demand for environmentally and socially preferable goods, services and infrastructure in Bhutan. The project seeks to promote value-for-money across the asset life cycle rather than simply at the point of purchase, in order to reduce the negative environmental impacts and maximize social benefits from procurement.

The project is implemented by a consortium of two international and three national organizations, namely the International Institute for Sustainable Development (Project Lead, Canada), the Bhutan Chamber of Commerce and Industry (Bhutan), the Royal Institute of Management (Bhutan), the Royal Society for Protection of Nature (Bhutan), and the Collaborating Centre on Sustainable Consumption and Production (Germany).

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ABOUT THIS REPORT

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Table of Contents

GPP BHUTAN TEAM	IV
ACKNOWLEDGEMENTS	V
ACRONYMS	VII
EXECUTIVE SUMMARY	1
SECTION 1: INTRODUCTION	3
1.1 METHODOLOGY AND APPROACH	3
SECTION 2: REVIEW OF PRE-QUALIFICATION PRACTICES IN INTERNATIONAL SETTINGS.....	5
SECTION 3: REVIEW OF PRE-QUALIFICATION CLAUSES IN THE NATIONAL PUBLIC PROCUREMENT DOCUMENTS	8
3.1 LEGAL PROCUREMENT DOCUMENTS.....	8
3.2 ANALYSIS ON PRE-QUALIFICATION CLAUSES	12
SECTION 4: USAGE OF PRE-QUALIFICATION	13
SECTION 5: INTERPRETATIONS OF PRE-QUALIFICATION.....	14
SECTION 6: PRE-QUALIFICATION – AN OPPORTUNITY FOR PROCURING GREEN.....	16
SECTION 7: CONCLUSIONS.....	18
DEFINITIONS	19
SOURCES AND BIBLIOGRAPHY	21
ANNEXES.....	22

List of Tables & Figures

Table 1: EU Procurement Procedures.....	6
Figure 1: Usage of pre-qualification by departments/agencies.....	13

Acronyms

ADB	Asian Development Bank
BCCI	Bhutan Chamber of Commerce and Industry
BOQ	Bill of Quantities
BSR	Bhutan Schedule of Rates
CDB	Construction Development Board
DGPC	Druk Green Power Corporation
EU	European Union
GDP	Gross Domestic Product
GPP	Green Public Procurement
MOF	Ministry of Finance
MOWHS	Ministry of Works and Human Settlement
MOE	Ministry of Education
MOH	Ministry of Health
NEC	National Environment Commission
NPPF	National Pension and Provident Fund
PPPD	Public Procurement Policy Division (Ministry of Finance)
PRR	Procurement Rules and Regulations
RGOB	Royal Government of Bhutan
CSMEs	Cottage, Small and Medium Enterprises
UNCITRAL	United Nations Commission on International Trade Law
UNEP	United Nations Environment Programme

Executive Summary

This report is an assessment of supplier pre-qualification requirements in public procurement in Bhutan. The report: i) reviews existing supplier pre-qualification requirements; ii) assesses the extent of implementation of these pre-qualification requirements, and; iii) provides recommendations with regard to pre-qualification requirements, particularly those on requiring environmental and social performance criteria to be integrated incrementally into pre-qualification requirements in public procurement.

Both primary and secondary data sources are used to assess the supplier pre-qualification requirements in Bhutan. Primary sources consisted of various individual and group consultations with public procurers and suppliers from the private sector.

The main findings from the research are as follows:

- i. The use of pre-qualification processes and procedures are not mandatory in all contracts, but left open for the procurers to use the sections and clauses as procuring agencies see fit. It is generally used for contracts that are large and technically complex in nature.
- ii. There are procurers and suppliers who are aware of pre-qualification criteria, requirements and processes. However, there are other groups who either interpret pre-qualification as a form of tendering or ignore it altogether.
- iii. The Procurement Rules and Regulations 2009 (PRR 2009, revised June 2014) stipulates a generic provision for pre-qualification under Section 2.2.1 and also cross references to other clauses, namely 2.1.3 (Qualification Criteria for Bidders) and 5.1.2 (Invitation for Bids).
- iv. The existing pre-qualification provisions in the PRR 2009 do not make any explicit reference to incentives for enhanced sustainability up the value chain. This provides an opportunity for public procurers to incrementally embed environmental and social performance criteria in the supplier pre-qualification stage.

Notable arguments made against pre-qualification by some procuring agencies were that:

- i. Pre-qualification is an additional layer, particularly for procurement of works as the Construction Development Board's registration system mirrors some of the pre-qualification requirements.
- ii. Pre-qualification procedures open up opportunities for bidders to collude and make the bidding less competitive.
- iii. Pre-qualification impedes efficiency and cost-effectiveness as it takes at least a month to carry out a pre-qualification process and increases the overall costs of procurement.

However, there were agencies that use pre-qualification processes who reported that pre-qualification saves them time and money, as it 'weeds out' unqualified suppliers from the very beginning, which can lead to more efficient bidding process.

The following recommendations are made for incorporating environmental and social performance criteria in the supplier pre-qualification stage:

1. Leveraging the space in the existing pre-qualification sections and clauses of the PRR 2009 by integrating environmental and social performance criteria.
2. The uptake of green product and service criteria, as developed in the GPP Bhutan Handbook, in the pre-qualification evaluation.

3. The inclusion of a list of green goods, services and works in the Bhutan Schedule of Rates (BSR). However, goods, methods of providing services, and undertaking works may undergo constant evolution in terms of being greener. Thus, the BSR would either need to provide generic green criteria or be updated regularly.
4. In the long term, as the number of complex and high public spend projects increase, develop and use a standard pre-qualification document, wherein environmental and social sustainability (e.g. ISO14001) criteria are made explicit in the pre-qualification requirements.

Section 1: Introduction

According to the Procurement Rules and Regulations 2009 (PRR 2009, revised 2014), public procurement is the purchase of goods, services or the engagement of contractors for execution of works by procuring agencies. The process is subject to specific laws, rules, regulations and policies on how appropriate procurement decisions are made. Therefore, public officials involved in procurement usually follow a set of procedures for procurement. These procedures cover the method of advertising for suppliers, the grounds on which a supplier is chosen, and the way in which the procurer measures and enforces the requirements put on the supplier. The main aim of such a system is to encourage competition between suppliers and to reduce the risk of corruption.

The vast majority of contracts and procurement services requirements are publicly advertised and tendered out directly. However, when contracts/supplies require highly technical expertise or when it involves particularly high value contracts, pre-qualification steps are used in order to eliminate unqualified suppliers. This narrows the field to only those who have the requisite ability to comply with the terms of the contract and the financial capability to undertake the work or supply of whatever is to be sourced. Pre-qualification also helps to speed up evaluation of bids since only a limited number of pre-qualified bids have to be examined.

Pre-qualification and a tender for a contract are not the same. Pre-qualification is not a form of tendering. Pre-qualification when used, precedes the tendering for the actual contract. *Pre-qualification is used to identify contractors and suppliers who would be allowed to tender for certain contracts.* Once a company is pre-qualified for a particular contract, it is then eligible to tender for that contract.

This report is an assessment of public procurement supplier pre-qualification requirements in Bhutan. The main purpose of the assessment is to:

1. Review existing supplier pre-qualification requirements with regard to incentives for enhanced sustainability up the value chain.
2. Assess the extent of implementation of the pre-qualification requirements.
3. Provide recommendations on incrementally requiring environmental and social sustainability considerations to be included incrementally in the pre-qualification process.

1.1 Methodology and Approach

Both primary and secondary data sources were used to assess and analyze the pre-qualification requirements of suppliers in Bhutan. Various steps were followed in order to understand the different aspects of the pre-qualification requirements:

Step 1: Compiled and reviewed relevant procurement documents of the Royal Government of Bhutan (RGOB) to understand the pre-qualification requirements of suppliers. The list of documents that were collected and reviewed are listed below:

- i. Evaluation Guideline for Procurement of Works (Above Nu. 4 million), April 2011 (Revised June 2014)
- ii. Procurement Guidelines (July 2012)
- iii. Procurement Rules and Regulations 2009 (Revised June 2014)
- iv. Integrity Pact
- v. Sample Evaluation Report
- vi. Standard Bidding Documents – Procurement of Goods (Up to Nu. 0.25 M)

- vii. Standard Bidding Documents – Procurement of Goods (Above Nu. 0.25 M)
- viii. Standard Bidding Document – Procurement of Works (Above Nu. 4 M)
- ix. Standard Bidding Document – Procurement of Small Works (Up to Nu. 4 M)
- x. Standard Request for Proposal (SRFP) – Procurement of Consulting Services (Up to Nu. 1 M)

Step 2: Besides reviewing national procurement documents, international procurement related documents such as the Pre-qualification Document for Procurement of Works and User's Guide of the World Bank 2006, the Asian Development Bank's User's Guide to Pre-qualification of Bidders: Standard Procurement Document 2014 and the Introduction to EU Public Procurement Law 2014 were reviewed in order to gain a clearer understanding of pre-qualification requirements and processes followed internationally.

Step 3: In addition to the review of national and international documents related to pre-qualification, consultations with the Public Procurement Policy Division (PPPD) under the Ministry of Finance (MOF) and the Construction Development Board (CDB) were carried out to validate procurement policies, processes and practices. During the consultations, additional information, clarification and feedback were sought as necessary.

Step 4: Consultations with other large and medium procuring agencies (both government and autonomous agencies) such as the Ministry of Works and Human Settlement (MOWHS), Ministry of Health (MOH), Ministry of Education (MOE), National Pension and Provident Fund (NPPF) and Druk Green Power Corporation (DGPC) were conducted to develop better understanding of pre-qualification requirements on large, medium and complex projects. A list of agencies visited is provided in Annex 1.

Step 5: Consultations with suppliers, individually as well as in groups (comprising of large, medium and small size) were conducted in order to gather their views, clarification and feedback on existing procurement processes in general and pre-qualification requirements of suppliers in particular. The suppliers represented all three areas of procurement: works, goods and services.

However, there were limitations to the study with regard to the geographic coverage of the stakeholder consultations. All interviews were conducted in Thimphu as procurers and suppliers in other districts could not be covered due to resource constraints. Therefore, the outcome of the study is purely based on the review of reference documents on pre-qualification and stakeholder consultations in Thimphu, which included both procurers and suppliers.

Section 2: Review of pre-qualification practices in international settings

This section reviews pre-qualification practices in international settings. Procurement policies and practices of the World Bank, the Asian Development Bank (ADB), the European Union (EU) and the UNCITRAL Model Law on Public Procurement were reviewed.

The World Bank and ADB have pre-qualification documents as Standard Procurement Documents, detailing each and every aspect of pre-qualification procedures. Both the World Bank and ADB follow similar pre-qualification procedures. Clear instructions to potential bidders, accompanied by guide for Employers (Assessors) and standard templates and forms are made available.

For instance, the World Bank's Pre-qualification Document for Procurement of Works is a Standard Procurement Document that contains a section on pre-qualification procedures, followed by a section on works requirements. There is also a User's Guide to Pre-qualification Document for Procurement of Works. In its Pre-qualification Procedures, the World Bank document details:

- i. Instructions to Applicants (ITA) where it specifies the procedures to be followed by applicants in the preparation and submission of their Applications for Pre-qualification (AFPs). Information is also provided on opening and evaluation of AFPs.
- ii. Pre-qualification Data Sheet (PDS) which consists of provisions that are specific to each pre-qualification and supplement the information or requirements included in Instructions to Applicants.
- iii. Qualification Criteria and Requirements, which contains the methods, criteria, and requirements to be used to determine how Applicants shall be pre-qualified and later invited to bid.
- iv. Application Forms – It contains the forms for the Application Submission and all other forms required to be submitted with the Application, and
- v. Eligible Countries – It states the country eligibility policy of the Bank, and provides lists of ineligible countries.

This is followed by a section on Works Requirements, which specifies the scope of works. It includes a summary description, delivery and completion schedules, technical specifications and drawings of the works subject of the pre-qualification.

The User's Guide contains detailed explanations and recommendations to procurers on how to prepare a Pre-qualification Document for a specific procurement of works and evaluate applications. The Guide is not a part of the Pre-qualification Document.

Similarly, ADB's User's Guide to Pre-qualification of Bidders is a Standard Procurement Document, which details:

- i. Pre-qualification Process
- ii. Invitation for Pre-qualification
- iii. Instruction to Applicants
- iv. Application Data Sheet
- v. Qualification Criteria
- vi. Application Forms
- vii. Eligible Countries, and
- viii. Scope of Contract

ADB's User's Guide provides guidance to employers [procurers] on how to prepare a pre-qualification document based on ADB's Standard Procurement Document for the Pre-qualification of Bidders (SPQD) and how to evaluate applications. This SPQD prepared by the ADB is based on the Master Procurement Document entitled "Pre-qualification Documents for Procurement of Works", prepared through the joint efforts of the Multilateral Development Banks and International Financial Institutions, namely: African Development Bank (AfDB), Asian Development Bank (ADB), Black Sea Trade and Development Bank (BSTDB), Caribbean Development Bank (CDB), Commission of the European Communities (CEC), European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Inter-American Development Bank (IDB), International Bank for Reconstruction and Development (IBRD), Nordic Development Fund (NDF), North American Development Bank (NADB) and the United Nations Development Programme (UNDP). These master documents are intended to be used as a model by these organizations for issuing new and better harmonized Standard Procurement Documents for each individual institution.

Another source referred to was the Introduction to EU Public Procurement Law by Bird & Bird, a UK-based International Public Projects and Procurement Group which provides cross-border and domestic advice to public sector organizations, companies bidding to the public sector and institutions financing public sector projects in all of the key markets across Europe. This paper notes that the EU public procurement rules are derived from European treaties and European legislation. When purchasing goods, works or services, public bodies (referred to in the legislation as 'contracting authorities') must, in most cases, comply with the 'Treaty Principles', such as equal treatment and transparency.

It is stated in this introductory summary that as per the EU Public Procurement Rules, at the outset the contracting authority must choose to run the procurement using one of the procedures in the table below.

Table 1: EU Procurement Procedures

Procedure	Key Features	Permitted Circumstances
Open	<ul style="list-style-type: none"> Any interested party may submit a tender i.e. no pre-qualification stage. This makes it unsuitable for procurements where a large number of bidders are anticipated. No negotiation with bidders permitted. Suitable for tenders that are easy to evaluate. 	No restrictions on use of this procedure
Restricted	<ul style="list-style-type: none"> Pre-qualification stage – i.e. only those bidders that meet selection criteria will be invited to tender. No negotiation with bidders permitted although it is permissible to clarify bids and finalize terms. The scope for amendments to tenders through clarifications and finalization of terms is however very limited. Minimum of 5 bidders to be invited following the pre-qualification stage. Suitable for many procurements, particularly for standard goods or services. 	No restrictions on use of this procedure
Competitive Dialogue	<ul style="list-style-type: none"> Pre-qualification stage – i.e. only bidders that meet the selection criteria will be invited to dialogue. Dialogue is used to develop one or more suitable solutions to the contracting authorities' needs. Once solutions are identified the dialogue phase is concluded and final tenders are invited. Once tenders are submitted there is no negotiation of tenders only clarifications and finalization of terms. Suitable for complex contracts such as major ICT contracts. 	This procedure is only available for 'particularly complex contracts.'
Negotiated	<ul style="list-style-type: none"> Only bidders that meet the selection criteria will be invited to negotiate. The negotiation can take place in stages with the number of bidders reduced at each stage. 	Only available in rare circumstances where there are clear reasons why the competitive dialogue cannot be used.

It is stated that all procedures other than the open procedure include a pre-qualification stage. This stage is used to exclude bidders that are not capable of meeting the contracting authorities' needs or who have committed acts of misconduct in the past. Bidders are required to respond to a pre-qualification questionnaire concerning (i) economic and financial standing, (ii) technical and professional ability, and (iii) integrity (for instance, including confirmation that the bidder has not committed acts of bribery, fraud or money laundering).

According to EU procedures, selection and award stages serve different purposes and selection criteria cannot be used at the award stage and vice-versa. This is an important point in practice as contracting authorities may find their procurements open to challenge if they confuse these distinct stages. This is particularly the case in relation to testing 'experience' as this is a selection criterion rather than an award criterion. Selection criteria relate to the bidder – for instance, does it have the ability to perform the contract? Award criteria relate to the tender – these are applied to determine which tender is most economically advantageous to the contracting authority or to determine the lowest price.

The UNICTRAL Model Law on Public Procurement (2011) has become an important international benchmark in procurement law reform, sets out procedures aimed at achieving competition, transparency, fairness, economy and efficiency in the procurement process and, at the same time, fosters integrity and confidence in the procurement process. Article 18 of this model law stipulates that “The procuring entity may engage in pre-qualification proceedings with a view to identifying, prior to solicitation, suppliers and contractors that are qualified.” This Article contains 10 clauses detailing the following:

- i. Decision to engage in pre-qualification proceedings
- ii. Publishing an invitation to pre-qualify
- iii. What information to include in the invitation to pre-qualify
- iv. Procuring entity requiring to provide a set of pre-qualification documents to suppliers/contractors
- v. What information to include in the pre-qualification documents
- vi. How a procuring entity should respond to any request by a supplier/contractor for clarification of the pre-qualification documents
- vii. Taking a decision on the pre-qualifications application
- viii. Eligibility to participate further in the procurement proceedings
- ix. Notification of the pre-qualification application outcomes including making available to any person, upon request, the names of all suppliers/contractors that have been pre-qualified
- x. Communication to each supplier/contractor that has not been pre-qualified citing reasons therefor.

Summing up, a review of the pre-qualification procedures and its application in international settings demonstrate clear and specific instructions and user guides to both procurers and suppliers on pre-qualifications proceedings.

Section 3: Review of pre-qualification clauses in the national public procurement documents

Section 3 reviews the national prequalification guidelines and requirements. The relevant sections and clauses on pre-qualification stipulated in the PRR 2009 (revised 2014) are reproduced in the subsections below. It is followed by a short analysis of these sections and clauses to show the linkage, contradictions and intricacies between and among the different sections and clauses.

3.1 Legal Procurement Documents

Research on existing legal documents related to procurement show that a standalone standard pre-qualification document describing pre-qualification requirements of works, goods and services does not exist in Bhutan at present. PRR 2009 stipulates a generic provision on pre-qualification requirements under Section 2.2.1, as reproduced in Box 1.

2.2.1 Pre-qualification

2.2.1.1 In the case of large or complex procurements, or in any circumstances in which the high costs of preparing detailed bids could discourage competition, the procuring entity may engage in pre-qualification proceedings with a view to identifying, prior to the submission of tenders, suppliers and contractors that are qualified.

2.2.1.2 Pre-qualification shall be based entirely upon the capability and resources of prospective bidders to perform the particular contract satisfactorily, taking into account the permitted qualification criteria detailed in 2.1.3.

2.2.1.3 The invitation to pre-qualify for bidding on specific contracts or groups of similar contracts shall be advertised and notified in accordance with 5.1.2.

2.2.1.4 The procuring entity shall provide to those who respond to the invitation a set of pre-qualification documents setting out the scope of the contract and a clear statement of the requirements for qualification.

2.2.1.5 The pre-qualification documents shall include, at a minimum:

- a. Instructions for preparing and submitting pre-qualification applications;
- b. a summary of the principal required terms and conditions of the procurement contract to be entered into as a result of the procurement procedure;
- c. any documentary evidence or other information that must be submitted by suppliers or contractors to demonstrate their qualifications;
- d. the manner and place for the submission of applications to pre-qualify and the deadline for the submission, expressed as a specific date and time and allowing sufficient time for suppliers or contractors to prepare and submit their applications, taking into account the reasonable needs of the procuring entity; such date not to be less than twenty (20) days.

2.2.1.6 The procuring entity shall make a decision with respect to the qualifications of each supplier or contractor submitting an application to pre-qualify. In reaching that decision, the procuring entity shall apply only the criteria set forth in the pre-qualification documents.

2.2.1.7 The procuring entity shall promptly notify each supplier or contractor submitting an application to pre-qualify whether or not it has been pre-qualified. Only suppliers or contractors that have been pre-qualified are entitled to participate further in the procurement procedure.

2.2.1.8 The procuring entity shall upon request communicate to suppliers or contractors that have not been pre-qualified the grounds for their failure to pre-qualify.

2.2.1.9 At the time of the award of the contract, the procuring entity may require a supplier or contractor that has been pre-qualified to confirm the information provided in the submission for pre-qualification. The award may be denied to a bidder that is judged to no longer have the capability or resources to successfully perform the contract.

Box 1: Sections and clauses related to pre-qualification within PRR 2009

Section 2.2.1 also cross-refers to other sections in PRR 2009 – Section 2.1.3 on Qualification Criteria for Bidders and Section 5.1.2 on Invitation for Bids, which are reproduced in Box 2 and Box 3.

2.1.3 Qualification Criteria for Bidders

2.1.3.1 In selecting competent bidders in a procurement procedure, procuring authorities shall firstly ensure where required by the SBD that the bidders are registered with appropriate authority. Further the procuring authority may apply, as appropriate, any or all of the permitted selection criteria listed below;

i. General Suitability

2.1.3.2 The credentials of an applicant shall be established first. It may require the party to furnish evidence establishing that none of the conditions enlisted under clause 2.1.4.1 applies to it. The evidence can be submitted by whatever means that are considered appropriate for the country of establishment of the applicant. Such evidence may include, but is not limited to:

- a) Extracts from a judicial record or equivalent official document issued by a competent judicial or administrative authority;
- b) Solemn declarations made by the bidders concerned before a judicial or administrative authority designated for such purposes.

ii. Financial Capacity

2.1.3.3 The Procuring Agency may require the parties to furnish evidence of their financial and economic capacity. Evidence of such capacity may be:

- a) The audited balance sheets for the last three (3) years by a recognized firm or Chartered Accountants/Certified Public Accountant or extracts there from;
- b) A certified statement of the previous five (5) years' overall turnover and the turnover in respect of works, supplies or services;
- c) A Tax clearance certificate from the Department of Revenue and Customs.

iii. Technical Ability

2.1.3.4 Evidence of the party's technical ability may be furnished by any of the following means:

- a. The educational and professional qualifications of the managerial and supervisory staff of the party, and in particular, those of the person or persons responsible for carrying out the assignments;
- b. In the case of works** – a list of all works carried out over the last three to five (3-5) years, together with certificates of satisfactory execution for the most important works, issued by previous clients. Such certificates shall indicate the value, date and site of works and shall specify whether they were properly completed;
- c. In the case of goods or services** – a list of principal deliveries effected or services provided in the past three (3) years, with the sums, dates and purchasers involved. Such lists shall be evidenced by certificates issued or countersigned by the procuring authority;
- d. A description of the party's technical facilities, including reference to the tool, plant and technical equipment available.

Box 2: Cross-referenced sub-sections and clauses within PRR 2009 related to pre-qualification criteria

5.1.2 Invitation for Bids

5.1.2.1 Depending on the method chosen for procurement, invitations for bids shall be notified to the bidders as follows:

- a. In the **Open Tender Bidding** method, the notification for invitation of bids shall be published in a mass circulated newspaper and where applicable/feasible announced over the website, national radio, TV and other mass media. In addition, the notification shall be displayed on the notice board of the procuring agency concerned.
- b. In the **Limited Bidding** method, the invitations for bids shall be sent by registered post or any other means of delivery, as long as it is ensured that the documents are dispatched at the same time to the potential bidders selected by the procuring agency. Notice shall not be given to one potential bidder in advance of notification to others.
- c. In the **Limited Enquiry or Direct Contracting** methods, the procuring agency may directly approach the bidder/s from whom it intends to solicit quotations.

5.1.2.2 The notification shall include reference to:

- a. The identity of the Procuring agency;
- b. A summary of the assignment under bid;
- c. Period for execution of assignment;
- d. Address for obtaining the bidding documents, further information and submission of bids;
- e. Cost of bidding documents where applicable;
- f. Procedural requirements;
- g. Final date and time for submission of bids.

Box 3: Cross-referenced sub-section and clauses within PRR 2009 for inviting bidders

In addition to the above, PRR 2009 also contains other sections that has relevance to pre-qualification of bidders but are not explicitly referred to under Section 2.2.1. These are reproduced below:

1) Section 2.1 – On Registration System

2.1 Registration System

2.1.1.1. The purpose of the Registration system is to limit the waste of time caused by the repeated qualification of bidders for similar procurements and to ensure a continued pool of suitably qualified suppliers/contractors. It is a system of general pre-qualification signifying the capability of a bidder to handle a type and volume of contract and is not limited to a particular contract.

2.1.1.2 Proof of enrolment in an authorised and properly constituted Registration system shall constitute a presumption of overall suitability of a bidder to participate in a public procurement procedure.

2.1.1.3 Bidders who are not registered in accordance with the procedures set out in this chapter shall not benefit from such a presumption of suitability and will be required to demonstrate their qualifications to the concerned registering authority prior to participating in the procurement procedure.

2) Section 4.2 – On Procurement Methods

4.2.2 Open Tender/ Bidding Method

4.2.2.1 Open Tender/Bidding shall be the basic method of Government procurements and shall be applied unless there are circumstances, which justify the use of the other exceptional methods specified in 4.2.3 to 4.2.5.

4.2.2.2 Under this method, all contenders who are capable of providing the works, goods or services sought and are eligible for entering into a contract shall be given an equal opportunity of submitting bids following a notification. For works contracts, bidders registered with the CDB shall benefit from the presumption of suitability referred in 2.3.1.2.

4.2.3 Limited Tender/Bidding Method

4.2.3.1

Under this method, the number of bidders may be limited to a range between 3 and 5 individuals or companies who are capable of providing the works, goods, or services sought and who will be given an equal opportunity of submitting bids following a notification.

This method may be used under any of the following circumstances:

- a. The estimated value of goods, works or services does not exceed the threshold value as may be prescribed from time to time for this method under 4.1.1;
- b. The available time is insufficient (appropriately justified and properly documented) to follow the Open Tender/Bidding method but where it is still possible to seek competition without resorting to the Limited Enquiry or Direct Contracting methods;
- c. Where a pre-qualification procedure has been adopted in accordance with 2.2.1.

4.2.3.2 The procuring agency shall send Invitation for bids to selected bidders capable of providing the goods, services, and/or works as set out in clause 4.2.3.1.

However:

- a. In the case of works contracts under a or b in clause 4.2.3.1, the bidders invited to submit tenders shall be selected from among those bidders registered with the CDB and who have valid CDB certificate.
- b. In the case of supplies or services contracts under a or b in clause 4.2.3.1, the bidders invited to submit tenders shall, where such lists exist, be selected from among those bidders appearing on any Registered List created in accordance with clause 2.3.1.2.
- c. In the case under clause 4.2.3.1 (c), all pre-qualified bidders shall be invited to submit a tender.

3) Clause 7.3.1.6 under Section 7.3 – On Method of Selection of Consultants

Preparation of Short List of Consultants

7.3.1.6 The Procurement agency is responsible for preparation of the short list with due consideration to those firms expressing interest that possess the relevant qualifications. It is advisable that the short lists should comprise, where possible, about six firms or individuals. The short list should preferably comprise consultants of the same category with similar capacity, and business objectives. The short list of firms shall not include Individual Consultants.

3.2 Analysis on Pre-qualification Clauses

To recapitulate, Clause 2.2.1.1 of PRR 2009 states:

In the case of large or complex procurements, or in any circumstances in which the high costs of preparing detailed bids could discourage competition, the procuring entity may engage in pre-qualification proceedings with a view to identifying, prior to the submission of tenders, suppliers and contractors that are qualified.

Therefore, in Bhutan, pre-qualification is applied only in cases of *large or complex procurements* or in cases where *costly, detailed bids need to be prepared by the bidder*, indicating that pre-qualification is adopted when the procurement and consequentially the bid-preparation is highly-technical and/or expensive. In addition, the phrase “may engage” points to the fact that it is optional for a procuring entity to conduct pre-qualification before tendering. Thus, even for “large or complex procurements” or under circumstances where “costs of preparing detailed bids could discourage competition,” procuring agencies have the option to either use pre-qualification or proceed without it.

Although not strictly considered as pre-qualification, Expression of Interest (EOI) is another form of qualifying bidders that is widely used in Bhutan for procurement of consulting services. For instance, Clause 7.3.1.6 on the preparation of the short list of consultants states that the procurement agency has to prepare a short list of about six firms or individuals based on their capacity and qualification, indicating a pre-qualifying process before the actual tendering process.

As stated in Clause 2.1.1.1 of PRR 2009, registration is another “system of general pre-qualification signifying the capability of a bidder to handle a type and volume of contract.” Registration is for general pre-qualification method and not limited to a particular contract. Thus, registration of bidders with an appropriate authority is in a way a process of pre-qualifying bidders. For example, the Construction Development Board (CDB) is the authority of the government that maintains a list of registered contractors and consultants for works. They use some of the selection criteria under Section 2.1.3 on Qualification Criteria for Bidders (detailed in Box 2 above) for registering contractors and consultants in their system. Likewise under the sub section 2.1.2 on Creation of Registration, Clause 2.1.2.1, states that appropriate technical authorities of the relevant sectors, as may be identified by the government from time to time, may establish lists of registered suppliers/contractors/consultants.

The pre-qualification criteria of bidders look into three aspects: i) General Suitability, ii) Financial Capacity and iii) Technical Ability. Thus, the existing pre-qualification criteria do not make any explicit reference to green aspects as criteria for pre-qualification. However, there is nothing preventing a procuring agency from using environmental safeguards or social considerations in the pre-qualification of bidders either. In particular, the consideration of “Technical Ability”, especially item “d” – a description of the party’s technical facilities, including reference to the tool, plant and technical equipment available – can include reference to their past environmental performance, like use of environmental management plans, or use of energy and resource efficient technologies.

In addition, there is a stated preference given to goods of Bhutanese origin in PRR 2009, under Clause 1.1.2.2 (a), which states the following:

In case of any Procurement, goods of Bhutanese origin may be given preferential treatment. Where two or more tenders are equivalent in the light of evaluation methods and factors set out in 5.4, preference shall be given to the bid offering goods of Bhutanese origin provided that the price difference does not exceed five percent (5%). Use of preferences shall be indicated in the bidding documents. Similarly, a five percent (5%) margin of preference may be given to the National bidders in case of works.

However, during the consultations, suppliers indicated that this preferential treatment clause for domestic suppliers did not provide adequate protection and was rarely implemented by the procuring agencies.

Section 4: Usage of pre-qualification

In order to understand the usage of pre-qualification before tendering, eleven procurement departments and/or divisions were interviewed within six agencies. The pie chart below shows the percentage of departments/divisions that use or do not use pre-qualification while procuring works, goods and services.

Of the eleven procurement departments/divisions, five departments/divisions (46 per cent) said that they use pre-qualification mostly for big and complex projects or where they feel necessary. Four (36 per cent) said they do not use it and two (18 per cent) said they were not very clear on the usage of pre-qualification requirements.

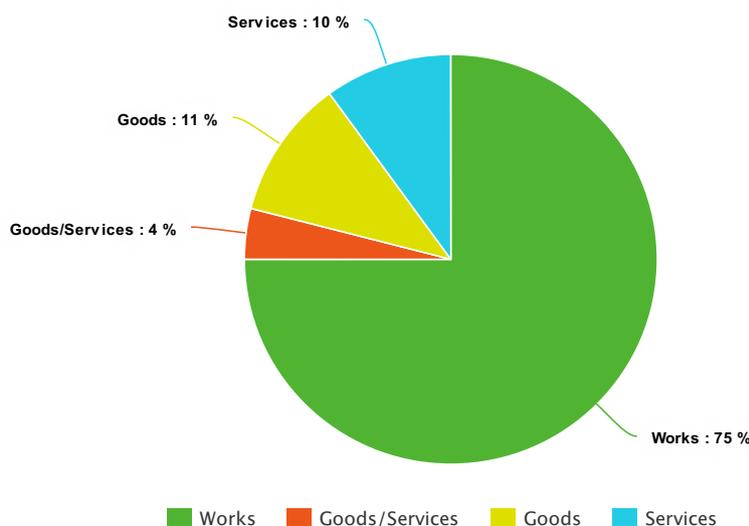


Figure 1: Responses from public agencies on the use of pre-qualification

An autonomous agency involved in procuring works ranging from Nu. 61 million to 150 million informed that they no longer use pre-qualification procedures, although they used to apply it until about four years ago. Other agencies shared similar experiences.

Some of the reasons provided by these procuring agencies for not adopting pre-qualification were:

- i. Unlike in the past, the Construction Development Board (CDB) takes care of pre-qualification requirements for works and, to some extent, for services (consultancy) as well. Procuring agencies rely on the registration system database maintained by CDB on contractors and consultants.
- ii. Pre-qualification procedures provide opportunity for bidders to collude and make the bidding less competitive.
- iii. Pre-qualification limits the number of bidders and further increases the overall costs to the procuring agency. Pre-qualification also increases procurement lead time. They pointed out that it takes at least a month to carry out pre-qualification process.

However, there were agencies that differed with the above views. Five procurement departments/divisions stated that they usually do not follow pre-qualification requirements on the majority of their works procurement, except for a few big and complex projects. It was reported that pre-qualification saves them time and cost as it weeds out unqualified suppliers and contractors from the very beginning, which means less work for them at the bid evaluation stage.

Section 5: Interpretations of pre-qualification

In this section, interpretations of pre-qualification by various stakeholders are presented. This is one of the outputs of the various consultations carried out with procurement officials of government ministries/ departments, autonomous agencies and private sector suppliers.

Upon discussing pre-qualification requirements with various stakeholders, it was deduced that the understanding on the subject is highly varied. Broadly, the perceptions of pre-qualification by various stakeholders can be divided into three groups:

Group A: Procurers and suppliers in this group understand pre-qualification as defined in Section 2.2.1.7 of the PRR 2009 which states:

The procuring entity shall promptly notify each supplier or contractor submitting an application to prequalify whether or not it has been prequalified. Only suppliers or contractors that have been pre-qualified are entitled to participate further in the procurement procedure.

This group rightly understood that pre-qualification precedes tendering of contracts. A supplying firm applying for pre-qualification has no expectation to be awarded any contract on the basis of the application for pre-qualification. Its only expectation is that once it has been pre-qualified, then it is eligible to bid for the contract.

Group B: Procurers and suppliers in this group interpreted pre-qualification as an integral part of the tendering process, and many confused the “two stage process” as a form of pre-qualification, which it is not.

Section 4.3 - Procurement Processes of the PRR 2009 - states that there are two processes for conducting procurement, namely (i) One Envelope Process and (ii) Two-Stage Process.

Some of the procurers and suppliers interpreted technical evaluation of bids, before the opening of financial bids as pre-qualification (under One Envelope Process), which is technically not consistent with the pre-qualification definition in PRR 2009. Similarly, in the two-stage process, the bidder first has to qualify his/her technical bid before he/she can proceed further with the procurement process. In the second stage, he/she re-submits the revised technical bid along with the financial bid. Although, it may seem like pre-qualification, it is part of the tendering process and should not be interpreted as pre-qualification like some procurers and suppliers do.

Group C: Procurers and suppliers in this group are not at all aware of pre-qualification requirements in the public procurement system. This group of people felt that bid evaluation is the only determining criteria for selection of suppliers.

The multiple interpretations of pre-qualification could be due to the following reasons:

1. As per PRR 2009, the application of pre-qualification is optional and generally recommended only for *large and complex projects*. It may be that procuring agencies and supplying firms who have used it are aware of the pre-qualification requirements while those who have not used it are not familiar with the requirements.
2. Non-availability of a stand-alone standard pre-qualification document. In PRR 2009, pre-qualification appears in a sub-section under the section on registration and qualification of bidders. Subsection 2.2.1 on pre-qualification makes reference to various other sections, subsections and clauses of the tendering processes in PRR 2009. For instance, references to clauses 2.1.3 and 5.1.2 makes them part of pre-qualification requirements. Thus, stakeholders could interpret pre-qualification requirement as a tendering/bidding process requirement.
3. Common practices in Bhutan such as registration of contractors and consultants with the CDB and call for Expression of Interest by the procuring agency are not strictly considered as a process of pre-qualification, but their function is to identify and qualify firms and individuals to partake in the bidding process. Non-inclusion or ambiguity in establishing connection of the fact in the pre-qualification clause 2.2.1 in PRR 2009 may contribute to multiple interpretations.

Section 6: Pre-qualification – An opportunity for procuring green

The existing text on pre-qualification in PRR 2009 does not include any explicit reference to environmental or social criteria. However, there is ample space for procuring agencies within the existing text to step towards implementing GPP.

In order to achieve green growth in Bhutan, it is important to go beyond the existing 'goods of Bhutanese origin' price preferential treatment clause in the tendering process and actively promote green goods, services and works possessing one or all of the following characteristics¹:

- i. Helps conserve resources like water and energy
- ii. Are made wholly or in part by domestic Bhutanese enterprises
- iii. Prevents or have minimal air, land and water pollution footprint
- iv. Are not harmful or have minimal negative impact to natural environment
- v. Are non-toxic
- vi. Are made from reused and recycled materials
- vii. Are biodegradable
- viii. Reuse of waste product is possible
- ix. Renewable
- x. Has long life and is durable
- xi. Employs Bhutanese citizens
- xii. Are made by enterprises that adhere to ILO labour conditions and related health and safety regulations (including no use of child and forced labour)
- xiii. Qualifies for ISO certification or materials with eco-labels
- xiv. Demonstrate corporate social responsibilities by bidders – assess whether firms/companies integrate social and environmental concerns in their business operations and interactions with their stakeholders; for instance, evidence of waste and pollution reduction practices, contribution in educational and social programs and so on.

Based on these criteria, incentives for sustainable production and consumption could be built into the procurement processes, both at pre-qualification stage (and at the bidding stage and score points allocated accordingly during pre-qualification evaluation and bid evaluation).

Pre-qualification thus presents an opportunity for procurers to incrementally embed social and environmental performance criteria in public procurement.

¹ The characteristics of green goods, services and works are derived from the sources listed below:

- a. Alignment with Bhutan Green Building Design Guidelines of the Ministry of Works and Human Settlement (e.g.: construction sector).
- b. Alignment with Environment Friendly Road Construction Guidelines (e.g.: road construction).
- c. Draft Green Building Materials Standards (for Tax Incentives), National Environment Commission, Royal Government of Bhutan
- d. Ecological and social dimension of sustainability matrix, overview hotspots framework, GPP Bhutan Project.

The rationale for pre-qualifying suppliers for contracting with the public sector is to ensure that the selected suppliers have the legal, financial, commercial and technical capabilities to deliver on time and on budget, for large quantities of high quality goods and services.

Pre-qualification criteria traditionally include formal corporate registration, formal accounting records and audited financial statements, track records of legal compliance - including compliance with environmental and labour laws - and track records on contracting. Specific examples of environmental and social performance criteria that can be included into pre-qualification requirements include the following:

- Demonstrate ability to meet qualification criteria stated in ISO 19011:2003 Guidelines for quality and/or environmental management systems auditing;
- Operate using Environmental Management Systems as per ISO14001 or equivalent;
- Demonstrate compliance with International Labour Organization (ILO) core labour standards along the supply chains.

Our research shows that pre-qualification in Bhutan is interpreted and understood in multiple ways by both procurers and suppliers. Therefore, pre-qualification could be used to incentivise the Bhutanese market for sustainability either by:

- i. Using the space that exists within the current regulatory framework to compel suppliers to demonstrate environmental performance and respect for social equity.** Specific examples of environmental and social performance criteria that can be included into pre-qualification criteria are the following:
 - Demonstrate ability to meet qualification criteria stated in ISO 19011:2003 Guidelines for quality and/or environmental management systems auditing;
 - Operate using Environmental Management Systems as per ISO14001 or equivalent;
 - Demonstrate compliance with International Labour Organization (ILO) core labour standards along the supply chains.
- ii. Incorporating green (environmental and social) criteria for pre-qualification within PRR 2009** – While it is not necessary for implementing GPP, including explicit reference to environmental and social criteria under the “technical ability” of suppliers could provide a valuable legal backing for GPP, or, more importantly, provide procuring agencies with support for their GPP efforts.
- iii. Introducing a standard pre-qualification document** – International best practice shows that there are standard pre-qualification documents which are developed under the purview of general procurement laws, rules, regulations and policies but that sit as a standalone document. It provides the principles and processes, clear guidelines, and templates for execution pertaining to pre-qualification. If such a document is developed for Bhutan, as the number of complex and high spend public projects increase, incentives for green goods, services and works could be made explicit in the document

Procuring agencies need to play a crucial role in determining the incorporation and implementation of green processes, products, and services. For example, in the construction sector, green components should be incorporated during the concept and design stage. How and what an architect introduces in their design will determine the degree of green incorporation at the construction stage. For instance, if an architect incorporates green design components, it gets automatically included into the Bill of Quantities (BOQ), and the BOQ determines what contractors procure.

Another important aspect in successfully adopting GPP features in procurement processes is not just incorporating green elements in PRR but also simultaneously revising the Bhutan Schedule of Rates (BSR) 2013 (particularly related to works) to include more green goods and services. This is an important document for public procurement. At present, in the plurality of items in BSR 2013 are not considered green.

Section 7: Conclusions

Research on the application of pre-qualification process in Bhutan shows that pre-qualification is not mandatory in all contracts and left open for procurers to use as they see fit as per the sections and clauses on pre-qualification in PRR 2009. It is generally used only for contracts which are large and technically complex in nature. Where there are procurers and suppliers who are aware of pre-qualification requirements, due to the limited usage of pre-qualification stage, our research shows that many of them have different interpretations of pre-qualification. Some interpret pre-qualification as a form of tendering and others ignore it altogether.

The objective of this research was to identify opportunities for integrating environmental and social criteria in the pre-qualification stage of public procurement in Bhutan. Given the limited usage of pre-qualification, it may be most effective to introduce environmental and social performance criteria for complex and large procurements. It is important to mention that certain measures are already in place in Bhutan such as the mandatory Environment Impact Assessment (EIA) carried out for infrastructure projects, under the purview of the National Environment Commission. It is indeed encouraging that there are policies and interventions that are complimentary and a solid basis for GPP. However, mainstreaming environmental and social performance criteria within the procurement framework in general, and in pre-qualification criteria and the registration of suppliers in particular, would be an effective measure for sharing responsibility among procuring agencies to protect the environment and contribute towards socially responsible purchasing.

Most importantly, creation of education, awareness and advocacy on the green concept is crucial for successful implementation of GPP in Bhutan. Currently, most stakeholders consulted are either not clear on the concept, or have concerns that higher prices make GPP impracticable in the Bhutanese context. Similar concerns have been raised in other countries. However, greening experiences in many countries show that targeted approaches, in line with national sustainable policy priorities and local realities, can enable reaping the economic, environmental and social benefits of GPP in the long run.

Definitions

Autonomous agency: an agency under the Executive, established and mandated to function with autonomy by Royal Charters, Royal Kashos (decree)

Bhutan Schedule of Rates (BSR): a publication delivered by the Bhutan Standards Bureau (BSB) of the Ministry of Works and Human Settlement prescribing rates for works by individual component, the quality, quantity, and scope of which is governed by the Specifications for Building and Road Works "SBRW".

Bill of Quantities: summary of the units and unit prices of the items proposed under the contract.

Bidding documents: the set of documents sold or issued by the intending employer/purchaser/procuring agency to potential bidders in which the specifications, terms and conditions of the proposed procurement are prescribed. The terms "bidding documents", "tender documents" and "bid documents" are synonymous.

Construction Development Board (CDB): overseeing agency of the Government mandated to optimize the contribution of the construction industry in meeting national construction demand, in promoting technological, social and economic development objectives, industry performance and competitiveness, and realizing better value of money to the clients.

Consultant: an individual or a legal entity entering into a contract to provide consultancy services.

Consultancy services: expert services provided by the contractor based on specialized expertise and skills as to prepare and implement a project, conduct training, provide technical assistance, conduct a research and analysis, work out a design, and supervise the contract execution.

Contractor: an individual or a legal entity entering into a contract to execute works, supplies or services.

Contract: a legal agreement between a contractor and a procurer to carry out a civil construction or electrical work.

Environmental performance in public procurement: ability of public procurement when used as a tool to achieve environmental sustainability and green growth particularly through promoting green jobs, local products and services.

Fiscal incentives: policy measures implemented by the Government such as: tax holidays; import exemptions; sales tax exemptions; reinvestments; provision for R&D expenses to be tax deductible; and rebates for environmentally friendly technological up-gradation, to promote sustainable domestic production of goods and services also provide a framework for the growth of clean industries and social protection through value creation in the form of jobs and resilience of the economy.

Government agency: an entity of the Government whose source of funding is the Government.

Green growth: growth that emphasizes sustainable use of "natural capital," along with managing environmental risks cost-effectively and in an institutionally sound manner to limit risks to human health and of irreversible degradation of the natural environment.

Goods: any object in solid, liquid or gaseous form that has an economic utility or value, which can be exchanged or traded.

Green goods: refers to those goods with a reduced environmental impact, for instance, energy efficient computers, recycled paper, electricity from renewable energy sources.

Green criteria: abilities of goods, works and services to meet certain standards, as evidenced by: being non-toxic, non-polluting; using renewable energy; being biodegradable; bearing long life; using recycled materials.

Green Public Procurement: a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured.

Procurement cycle: cyclical process of key steps when procuring goods or services, from identification of a need and conducting market analysis through to the process of selecting the supplier, managing their performance and reviewing lessons learnt.

Procurement: the purchase of goods, services or the engagement of contractors for execution of works by procuring agencies.

Procurer: refers to Government agency engaging in procurement of goods, works or services.

Procurement Rules and Regulations (PRR): set of rules and regulations that apply to all Government agencies when engaging in procurement of goods, works and services so as to ensure transparency, uniformity, economy and efficiency, and fair and equal access to suppliers, consultants and contractors.

Pre-qualification: the practice of identifying qualified suppliers and contractors prior to submission of tenders in the case of large or complex procurements or in any circumstances in which the high costs of preparing detailed bids could discourage competition.

Public procurement: processes used by governments and public sector organizations to purchase goods, services and commission infrastructure developments.

Services: specialised services procured by the Government such as: management consultancy services; IT consultancy services; software; services and data centres; electricity; couriers and postal; fleet and vehicles; waste handling, catering (food and beverages); and landscaping.

Social criteria: abilities of goods, works and services to meet certain standards, as evidenced by: production by local producers; use of local raw materials and labour; no use of forced/child labour; payment of decent wages; demonstration of Corporate Social Responsibilities (CSRs).

Social performance in public procurement: ability of procurement when used as a tool to achieve economic self-reliance and promote an open, progressive and inclusive economy, particularly through promoting civil rights, employment, local products and services.

Supplier - an individual or a legal entity entering into a contract for the supply of goods or services.

Work/Works: any activity involving construction, fabrication, repair, overhaul, renovation, decoration, traditional Bhutanese painting, installation, erection, excavation, dredging which make use of a combination of labour, machinery, equipment, material and technology.

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ANNEXES

Annexure I: General Feedback

During consultations with stakeholders, some of the issues highlighted and general feedbacks received were as follows:

1. Some of the agencies felt that unlike in the past, CDB places less emphasis on experience of the bidder (bid capacity) and gives more weight to technical ability requirements and line of credit. This step seems to encourage new bidders, as they are able to participate in bids along with very experienced firms. It is found that due to this change, there are more bidders and more competition, which is healthy.
2. One of the main concerns expressed by both procuring agencies and private sector suppliers/bidders was on the clarity of some of the clauses in the procurement documents. For instance, a procuring agency pointed out that PRR 2009 is vague on insurance provision. It was reported that clarifications were sought from relevant authorities but the response was not satisfactory and left the problem unsolved. Similar examples were cited by private sector suppliers whose businesses have suffered due to incompetency of procuring agencies, who are not conversant with procurement procedures. It was found that when procuring agencies recall tenders due to oversights in meeting some requirements, it impinges on their time and resources and adds on to their costs.
3. One of the feedbacks received from both suppliers and procuring agencies is that PRR 2009 treats all works, goods and services the same. It is felt that there is a need to segregate these items with specific provisions for each category. It was suggested that MOF could draft an overarching policy framework and Rules and Regulations for public procurement but it could then be left to procuring agencies to establish their own tailor-made procurement guidelines and manuals to suit context specific requirements.

Annexure II: List of people met

Date & Time	Person Met	Agencies
4/7/2014 (10am-11.30 am)	Mr. Leki Tshering & Ms. Dechen Wangmo, Procurement Officers	Public Procurement Policy Division, Ministry of Finance
7/7/2014 (9.30am-10.45 am)	Mr. Chengay, Executive Engineer	Construction Development Board
7/7/2014 (11.10am-12 noon)	Mr. Tshering Phuntsho, RO & Ms. Dil Maya Rai, SRO	GPP Bhutan-RSPN
7/7/2014 (12.20 – 1 pm)	Mr. Kezang, Project Director	GPP Bhutan
28/7/2014 (2.30-3.45pm)	Mr. Pema Dorji, CEO	Indo Construction and Lhawang Survey and Design Consultancy
28/7/2014 (4 -5 pm)	Mr. Suraj, ADM/HRD Officer	Bhutan Engineering Construction Pvt. Ltd, Thimphu
1/8/2014 (10: 45-12.30)	Mr. Tshewang Dorji, Head HRD	National Pension & Provident Fund, Thimphu
1/8/2014 (2.30 -3.55 pm)	Mr. P.K. Sharma, Sr. Project Engineer, Sunil Pradhan, Project Manager	Real Estate Division, National Pension & Provident Fund, Thimphu
12/08/2014 (11:00-12:00)	Mr. Sonam Rinzin, Assistant Procurement Officer	Ministry of Works & Human Settlement
12/08/2014 (12:05 -1:00)	Mr. Karma, Director Mr. Tshering Wangdi, Chief Engineer	Department of Road MOWHS
12/08/2014 (1:00 -3:00)	Mr. Tenzin, Director Mr. Tshering Dorji, Sr. Urban Design & Architect	Department of Human settlement MOWHS
12/08/2014 (3:30 -5:10)	Mr. Ugyen Dophu, Director General Mr. Ugyen Tashi, Officiating CPO Mr. Som Bdr. Darjee, Sr. Program Officer	Ministry of Health
13/08/2014 (11:30-1:00)	Mr. Chimmi Tshewang, Dy. Chief Procurement Officer Mr. Ngawang Norbu, APO, AFD	Ministry of Education
14/08/2014 (2pm-3.30pm)	Mr. Chokey Gyeltshen, Head Contracts and Procurement	Druk Green Power Corporation
19/08/2014	Mr. Singhye Wangchuk, Project Manager, RIM-GPP Bhutan	Royal Institute of Management
01/09/2014	Mr. Ugyen Tashi, Officiating Chief Procurement Officer	Ministry of Health
01/09/2014	Mr. Jiwan N. Siwakoti, M.D/Proprietor	M/s Progressive Research & Consultancy Services.
02/09/2014	Mr. Tenzin, Director Mr. Phub Rinzin, Chief Engineer. Mr. Karma Namgyel	Dept. Engineering Services MOWHS

List of participants for Focus Group Discussion

Venue: BCCI Conference Hall

Date: 18 August 2014

Sl. No.	Name	Company name & Address
1	Mr. Kinley P Dorji, Proprietor	M/s. Druk Meh-Wang Fabric and paper units, Babesa
2	Mr. Pema Dorji, Proprietor	M/s. LHAWANG Survey & Design Consultancy, Changzamtog
3	Mr. Pema Tashi, Engineer	M/s. Progressive Research & Consultancy Services, Olakha
4	Mr. I.K. Chhetri	M/s. Himalayan Geology & Mining Services, Changangkha
5	Mr. Jamtsho	M/s Bhutan Urban Development & Engineering Services, Changzamtog
6	Mr. Kezang Choejoe	M/s. K.C. Construction Pvt. Ltd, Below Motithang Park
7	Mr. Tashi Tobgyel	M/s. T.Tobgyel Construction Pvt. Ltd, Kawajansa
8	Ms. Rinzin Wangmo	M/s. T.D. Construction Pvt. Ltd, Motithang