



Pre-bidding Conference Minutes
Micro-assessment of Implementing Partners based on Long Term Agreement
(RfP13/00634)
29 March 2013, 14:00
UN House Conference Room

Attendees: Representatives of 3 companies from Moldova

Agenda:

1. Description of the RfP document and process
2. Questions & Answers

1. Description of the RfP document and process

Purpose of the RfP: Identification and selection of qualified company/companies with the purpose of entering into a Long Term Agreement for a period of one year with the option to extend for two additional years, subject to a satisfactory performance evaluation. The contractor shall provide consultancy services, and specifically micro-assessment of financial management and procurement capacities of Implementing Partners as provided in Terms of Reference of the RfP document.

A detailed description of the RfP document was made, explaining the contents of each section. The procurement process was also described in detail, with explanations about the competitive, evaluation and contract award stages.

The following information and provisions of the solicitation document and process were highlighted:

- UNDP Moldova is the leading UN Agency for this procurement process and is acting on behalf of other UN Agencies in Moldova. The process is conducted in accordance with UNDP procurement rules and regulations, and the contract shall be signed by UNDP Moldova on behalf of all participating UN Agencies.
- Proposers are required to submit the documents listed under section 26, page 18 of the Data Sheet.
- Offers should be valid for 90 days (section 8, page 16 of Data Sheet).
- Preferably, financial offers should be in US Dollars; Offers in any other currency will be converted to US Dollars based on UN exchange rate, for the evaluation purposes;
- Deadline for submission – 23 April, 12 p.m.; offers are accepted in hard copy or electronically; if submitted electronically - attachments should not exceed 5 mb (para 23); each Offeror will be provided with a receipt confirmation in writing; preferred format of electronic submissions is Adobe Acrobat (.pdf), there is no need to provide color copies;
- Offers shall be provided in two separate envelopes (one for the technical information and one for financial offer). In case offers sent by e-mail: financial offer should not be part of the whole document, but separate password protected message. A request for password will be sent to those Offerors, whose technical offer will be considered technically qualified. Also, in addition to the original hard copies of offers, one copy should be provided.

- A clarification was provided in relation to the type and number of contracts to be signed/ administered upon finalization of the competitive process. And specifically, it was mentioned that there is a possibility to sign 2 (two) LTAS with 2 (two) companies to proceed with financial and procurement assessments simultaneously. Therefore, it was highlighted the importance to submit offers exactly as requested – in line with the specific requirements to Lots 1&2 and Lot 3. Since UN is planning to arrange about 16 assessments these cost criteria are of major importance.

2. Questions & Answers received during the Pre-bidding Conference

Q1: What is the right formula used after it is clear that several companies attained the minimum of 700 points for the technical part of the offer and were qualified for opening of their financial offers. Will the cheapest offer be considered to win, or there is other formula.

A1: The section 25 of the Data Sheet provides a clarification in this regard – a combined scoring method is used, incl. a 60/40 % distribution for technical and financial offers, which would mean that the cheapest offer, might not necessarily be the winner. A detailed description of formula which is used at the second stage of evaluation of offers (after the financial envelopes are opened) is provided in the above sections of datasheet. Also to be noted, is that in order not to be disqualified at the preliminary stage, Offerors should pay special attention to the list of required documents for submission (section 26, page 18).

Q2: Is it necessary that latest audited / certified financial statements be provided?

A2: Offerors can provide copies of the latest/mot recent early income statements and balance sheets certified by the National Bureau of Statistics.

Q3: What kind of financial report should be provided by joint Offerors?

A3: Certified financial statement or balance sheet of the leading company would be enough. Though it is preferred to have the financial report of the company which will be undertaking/responsible for the micro-assessment exercise.

Q4: What is the estimated number and list of IPs to be assessed during the LTA, or it will be done upon UNDP request.

A4: Since UN is entering a new programming cycle, there is need to arrange for assessment of a number of “old” and “new” Implementing Partners. Some IPs will require both financial assessment only, others will be required to undergo both financial and procurement capacities assessment. The list of IPs will need to be cleared by a number of UN Agencies and might be continuously adjusted during the LTA period, therefore the number of 16 IPs mentioned in the tendering documentation is not final and cannot be considered as an obligation on UNDP side in any way. Several important issues to be highlighted are that the price/cost per one assessment should remain unchanged during the whole duration of the contract. Also, several assessment processes might be undertaken simultaneously. And those two assessments are already scheduled to start as soon as the competitive process is finalized and contract signed.

Q5: Offerors have a practice of signing long-term contacts, for example for two years duration, without indicating a fixed price – contracts include a scale with min and max project budgets and/or grant amount, and depending on the above budget already, amendments to the existent contract are done. Under the circumstances, when there is no clarity on the number and amount/budget of the projects, and there is no possibility to estimate the volume of work, it is then difficult to establish a fixed price/cost. Please clarify and advice on how the cost is to be established in the circumstances, when there is no clarity on the budget, etc.

A5: We would like to refer to the experience of last year, when similar exercise was launched and the financial offers received exceeded the projects funds budgeted for such an exercise. We assume that the misunderstanding occurred specifically since the micro-assessment services were interpreted by the Offerors to be audit services. Please note that UN approach and interpretation of the micro-assessment exercise is different. As provided in the TOR, there are two questionnaires to be completed by the contractor/s based on the interviews with representatives of the Implementing Partners. The objective being – assessment of the existent internal controls and systems of accounting, reporting and auditing of the Implementing Partners, we have estimated that it might take 5 to 8 work days for a team of experts to

proceed with the interviews, and other related testing/sampling, and to provide a preliminary report to UNDP. Based on the findings of micro-assessments, UN Agencies will identify appropriate modalities and procedures for the provision of cash transfers and the scale of assurance activities.

Q6: It is clear that the exercise consists of interviewing and second phase is a testing part. Please clarify if there are any specific requirements towards the methodology of the testing exercise which is to be done by the contractor, existence of template documentation, etc.

A6: The approach and methodology might be part of the offer. Generally, a reputable public accounting firm should be competent to conduct such an assessment. The contractor should be experienced in applying international standards for audit, using either ISA or INTOSAI audit standards. The contractor must employ adequate staff with appropriate professional qualifications and suitable experience with ISA or INTOSAI standards, including experience in reviewing entities comparable in size and complexity. In case the Contractor may have restricted access to any records, person or location during the course of the assessment, this restriction should be clearly defined, with reasons, in the report.

Q7: What are the criteria for risk estimation and what is the methodology for identification and rating of risks.

A7: As mentioned above, the assessment does not establish conditionality for assistance from UN Agencies, and is used for identifying the most suitable resource transfer modality and procedures and scale of assurance activities (frequency and coverage).

Each micro-assessment shall conclude with a statement of the overall risk related to cash transfers, rated as low (L), moderate (M), significant (S) or high (H). A "low risk" rating indicates a well-developed financial system and functioning control framework. A "significant risk" or "high risk" rating is given if the system is more nascent and the control framework is inadequate to assure that cash transfers are used and reported as agreed with the UN Agencies.

Q8: Please clarify what is covered by the 8 days timeframe, what are the final deliverables to be provided in 8 days.

A8: Within the term of 8 days it is expected that the contractor will finalize the exercise and will submit a draft report to UNDP for consideration and review.

Q9: Will UNDP inform Offerors of the results of competition.

A9: Final results of all tenders organized by UNDP are public and are published at the website. UNDP can also inform participants about the final results, though no details of the competitive process are provided/ shared with Offerors.

Q10: What is the expected date of contract approval and when is expected works to start.

A10: The contract (LTA) will be approved as soon as there is a final decision taken and the expected day is 15th of May. The assessments exercises are expected to start soonest in May, since there are at least two institutions already identified to undergo the assessment.

Q11: It is understood that signing a framework agreement implies specific difficulties with work planning and engagement of the same team members which were announced in the tendering process. What is the right procedure in case some members of the teams are not available in a specific time period?

A11: Replacements within the team of experts involved in the assessment exercise are possible, though UNDP should be informed accordingly, as well it is mandatory that experts of the same caliber and same qualifications are engaged.

Q12: There is a different interpretation by the Offerors and UNDP of the term "expert" used in the solicitation documents. As an example, Expert in Risk Management would mean a very high rank (and expensive) international expert, and what is UNDP definition of the term "expert".

A12: For the purpose of this exercise, the term of "expert" is similar to "specialist" in a specific area, s/he should be part of the team and the term is specifically used to differentiate between task managers (coordinators, approvers) and team members (implementers).

Q13: Would it be possible to negotiate with the contractor the terms of final product delivery for a specific Implementing Partner on a later stage.

A13: The term of 8 days was used in the solicitation documents for reference (calculation) purposes to ensure that same criteria are applied by all Offerors. Should there be need to revise the implementation terms with the contractor – it can be considered and agreed with UNDP during contract negotiation stage.

Q14: Are there any specific requirements, templates to be used by the contractor to report on the results and findings.

A14: A detailed description of deliverables (report structure) will be included in the TOR of the contract, though there is no specific standard / format of the report.

Q15: In case the Offeror is interested in providing only a part of services required by UNDP (for example only financial assessment), is it possible to offer only this kind of services?

A15: Yes, partial bids (by LOT) are permitted.

Q16: Can transportation, translation and other logistic costs be included in the financial offer.

A16: Yes, though there is no need to provide details in excess of those requested in the Financial Proposal form provided in Section 7 (available for download at the UNDP tenders website).

Any additional questions to be addressed in writing to diana.schirca@undp.org address and a written reply/clarification will be provided.