

**Annex I: ELEMENTS TO BE CONSIDERED
FOR A REQUEST FOR A
PROPOSAL/TENDER**

As described in Section V, the following guidance looks at the elements to be considered for a request for a proposal/tender, and provides some examples of what might be included. The list is neither exhaustive nor mandatory.

A. Overview

Some key points to include in an overview are as follows:

Purpose of RFP – A high level statement describing what you are seeking a proposal on e.g. cargo screening equipment that enables Customs to achieve its business objectives for enhanced cargo security.

Approval Process – Clarity for Suppliers as to who is able to make decisions to purchase. This may be delegated to Customs administrations, but it may be subject to approval by the Government or another Government agency and Customs will not be able to enter into a contract prior to that approval being granted.

Due Date and Milestones – To ensure transparency clearly document the due date for receipt of proposals and the right to accept or decline late responses. You can also include the proposed steps (milestones) you may go through and the dates by which a final decision will be made (important to stress that these may be subject to change but all potential suppliers will be notified of changes at the same time).

How to Respond – Set out how you want the proposal (information) to be provided e.g. hardcopy, how many copies, if electronic version in what format (e.g. Microsoft word). It is also useful to specify what will not be accepted e.g. “proposals will not be accepted by electronic mail”.

Notes to Respondents – Include anything specific you want to highlight, it may be commentary about terminology, requirements (highlighting where in the document the requirements are included) and questions. It is an opportunity to ensure that instructions are clear.

B. Background

It is useful to provide some background information about your administration and its function, the operational and business environment and any important factors that are to be taken into account. This may include an outline of the operations e.g. how many ports (sea and air), how the ports operate, how cargo is currently processed, what sort of facilities are available, health and safety environment, environmental conditions (e.g. climate, proximity to sea, winds) and road and highway conditions.

C. Requirements

In terms of requirements you may wish to consider the following:

Supplier Relationship – what are you seeking from the supplier e.g. are you seeking one or more prime vendors? Do you want one or more vendors to manage the provision of all elements of the requirements specified in this RFP throughout the operational lifecycle of the equipment, including:

- Manufacture and supply of the required equipment including assembly and fit-out of vehicles, trailers and fixed units;
- Delivery and installation in the specified operational environment;
- Training of operators and/or training of trainers;
- Preventative maintenance of the equipment following deployment;
- Warranty, support, service and corrective maintenance of the equipment following

deployment.

Are you happy for prime vendor(s) to use local agents and distributors to manage elements of the procurement, delivery, maintenance and support? Do you expect to sign a master contract with the prime vendor(s) and that overall responsibility and liability for the supply and support of the solutions will come under this contract?

These are important issues that need to be clear to prospective suppliers when sending out the proposal.

Solutions and Configurations – This is where you should define what it is you want to purchase. You should stipulate the different categories (requirements) of equipment, e.g. this could be differentiated by size, mobility and/or type of cargo that is to be screened. You should define mandatory and non-mandatory requirements. Using the terms “must”, “should” or “may” to describe the level of importance.

These terms, when used, can indicate the following levels of importance:

- **must** - it is essential that the Respondent's Proposal meets this requirement. Non-compliance may result in the Proposal being rejected by Customs.
- **should** - the Respondent's Proposal should meet this requirement, but a Proposal is unlikely to be rejected solely for not meeting the requirement.
- **may** - the Respondent's Proposal may support this requirement, but it is optional and may be viewed by Customs as a "value-added" benefit.

It may be that if you are looking for different categories of equipment you will allow respondents to respond to any number of the categories, however each category that is being responded to must have a complete response covering all mandatory and non- mandatory requirements that respondents elect to address.

Environmental considerations - Some administrations may be required to consider environmental or sustainability factors of deployment or operation of NII equipment.

D. Evaluation

To ensure the procurement process is transparent and fair it is important to document how the proposals will be evaluated.

Process and Activities – It is important to document the process and activities that will form the evaluation process. This will be subject to your country's procurement process but can include:

- How Respondents' written Proposals will be evaluated (e.g. by a team of internal and external experts).
- A short listing process based on initial evaluation of written proposals.
- Reference checks – the references given in response can be contacted and assessed.
- Site visits and testing – the site visits proposed can take place and tests will be conducted to assess the performance of the proposed solutions.
- Presentations and meetings – Respondents may be given the opportunity to present their Proposals and raise issues/concerns at meetings.

Evaluation Criteria/Methodology – It is important to define the criteria/methodology to be used for the assessment of respondents proposal's. There are different

methodologies available, such as the Most Economically Advantageous Tender (MEAT) system where marks are allocated on a weighted basis to the most important requirements of the procurement, including cost. The major requirements could include:

- a) Inspection equipment and systems:
 - Technical capability
 - Suitability for Purpose
 - Regulatory and health & safety compliance
- b) Vehicles, trailers and other equipment:
 - Regulatory compliance
 - Suitability for Purpose
- c) Support, maintenance, warranty and training
- d) Minimum Requirements

You may want to set minimum thresholds for some of the main specifications. Failure to reach such thresholds would result in outright rejection of the Respondent's Proposal for that equipment category. Complete inability to satisfy any mandatory requirement may also result in outright rejection of the Proposal for that equipment category.

e) Cost

Costs to be taken into account should include:

- Capital cost of the equipment including vehicle chassis, trailer and standard installation equipment;
- Spare parts to be purchased to maintain minimum required service levels;
- Preventative maintenance per annum;
- Service including corrective maintenance charges per annum;
- Training; and,
- Estimate of consumables and operating costs for equipment proposed.

The following terms and conditions or instructions may be considered for inclusion in your proposal:

Format of Proposals – Make clear to respondents that proposals should adhere to the agreed format and headings as defined in the document. This may include templates to be completed to allow respondents to structure their responses in a consistent way. You may choose different formats for different parts of the proposal e.g.

- A free-form response - Respondents may be invited to state in their own words what they are proposing for each equipment category and why their products and services are suitable for Customs' requirements.
- Specific responses to each clause - All mandatory requirements must be addressed for the categories of equipment that are proposed. Additional information may be attached to responses so long as it complies with the Proposal delivery requirements.
- Specific compliance responses - Respondents must indicate whether they are able to fully comply with a particular requirement. This can be as simple as responders indicating 'COMPLY', such response indicating full and unambiguous

compliance. Alternatively, Respondents may indicate 'PARTIALLY COMPLY' or 'DO NOT COMPLY' together with a full explanation of the qualified compliance or non-compliance.

- Contact with Customs –Specify one point of contact. You may want to consider specifying that unsolicited and unauthorised Respondent contact with other Customs personnel concerning this RFP may result in rejection of a Respondent's Proposal.
- Respondent Contact Details –Respondents should designate a primary/sole point of contact for all correspondence regarding the RFP.
- Proposal Validity Period – Define the period of validity of proposals, which can be from either the date of submission or the Due Date for Proposals, whichever is the latter.

Reliance Upon Statements by Respondents – You may want to stipulate that Customs may rely upon all statements made by any Respondent in a Proposal and in any other communications relating to the RFP to be true. You may want to stipulate that each Respondent shall ensure that:

- All information provided in response to this RFP is complete and accurate;
- It has examined the proposal document fully and any other information provided by Customs in regard to this RFP; and
- It has considered all the risks, contingencies and other circumstances having an effect on its Proposal.

Questions concerning the RFP Content – You may allow Respondents to ask questions concerning the content of the RFP or the evaluation process up until the Due Date.

However, you may want to specify how the questions are to be provided and responses made (e.g. in writing only and indicate the contact details of the point of contact from the Customs). You may also want to ensure that questions and responses relating to RFP content or rules are distributed to all Respondents (but will not be attributed to the originating Respondent) subject to commercial confidentiality.

RFP Variations, Cancellation and Waiver – you may want to state that you reserve the right to vary, cancel or waive any part of the RFP at your sole discretion at any time up to the Due Date, including the right to extend the Due Date for responses. It will be important to stress that you will advise all Respondents if there is to be any change to the rules, procedures or criteria during the process. A change in rules or procedure should not benefit any one Respondent.

Preparation Costs – Stress that each Respondent shall be responsible for all costs associated with the preparation and submission of its Proposal and Customs shall accept no liability for any such costs.

Pricing - Be clear about pricing information. You should specify that respondents must ensure that prices set out in their Proposals are fully inclusive for the proposed solutions and that no additional prices, fees or charges shall apply to all or any part of the proposed solutions. You should also specify who shall be responsible for payment of any taxes, duties and other government charges, resulting from the procurement.

Disclaimer – You may want to specify that while every reasonable effort is made to ensure the accuracy of this RFP, Customs shall not be liable for any inaccuracy or omission in the RFP or in any additional information that may be provided in the RFP process.

Confidentiality and Intellectual Property – You may want to specify that the RFP and all Customs communication in regard to the RFP is confidential and should not be disclosed to any other party or used for any purpose other than that of preparing Proposals, without the express written consent of the Customs.

You should undertake to keep confidential any confidential, proprietary or commercially sensitive information supplied by Respondents and identified by Respondents as such, except as required by law.

Security and Operational Requirements – You should specify that during and after the RFP process, Respondents shall comply with any security and operational requirements of Customs or the Government.

Conflicts of Interest – You should specify that respondents shall declare any conflicts of interest that exist or that may arise in responding to this RFP or in any Agreement that may result from this RFP, immediately upon becoming aware of such conflicts.

Public Statements – You should specify that respondents shall not make any public statement or press release, or engage in any advertising or promotion, or release any information to any news media or public forum in respect of the RFP or any contract that may result from the RFP without the express written consent of Customs.

Indemnity – You may want to specify that if a Respondent breaches any of the Terms and Conditions in the RFP and, as a result of that breach, Customs incurs costs or losses, including without limitation the cost of any investigations, procedural impairment, repetition of all or part of the RFP process or enforcement of intellectual property rights or confidentiality obligations, then that Respondent shall indemnify Customs against such costs or losses.

Rights Reserved by Customs – Without limiting any other statement in the RFP, you may want to reserve the right at any time:

- To apply or change any policy or criterion relating to participation in this RFP process or evaluation of Proposals;
- To restrict or deny the supply of or access to any Customs site or other property or any Customs personnel or information to any Respondent. However Customs will use best endeavours to provide all Respondents with equal access;
- To change the RFP Terms and Conditions by prior notice to Respondents;
- To reject any Proposal which does not, or only partially, comply with this RFP; and
- Not to accept the lowest priced or any Proposal or enter into any Agreement.

You should also specify that the RFP and any agreement arising from it shall be governed by the laws of your country, and Respondents agree to submit to the non-exclusive jurisdiction of your courts in any dispute that may arise concerning the RFP Proposals or any Agreement.

E. Response

You may wish respondents to include the following in their proposals:

Respondent Organisation Background – This can include, contact details, company information and financial performance, history and experience as well as information that will provide assurance relating to the responders' ability to meet the requirements.

Proposed Solutions – Provide a comprehensive description of the equipment and major components proposed under each of the equipment categories as set out under the defined requirements, together with any specifications, diagrams or supporting information that illustrate the suitability of the equipment for Customs' proposed use.

Proposals should separately define the mandatory requirements and non-mandatory requirements. For non-mandatory requirements the information should indicate as to whether it is optional equipment or ancillary equipment and the response should cover, at a minimum, the following in detail:

- Description of the equipment
- Typical operating scenarios
- Major components
- Technology deployed and benefits
- Suitability for Customs requirements

Detailed Statement of Compliance with Inspection System Requirements - There should be a comprehensive statement of the detailed technical requirements included in the proposal to be completed by the Respondent. A detailed list of specifications should be set, and the Respondent should indicate compliance or otherwise against each specification. Information to be requested might include:

- Manufacturer's Technical Specifications
- Detectors
- Image Processing System
- Conveyor and Motor Drive
- Physical Dimensions
- Operating Environment
- Radiation and Safety
- Electronic Emissions and RF Interference
- Fault Diagnosis
- Power Supply Unit (Applicable if system can be plugged into mains source)
- Reliability
- Substance Differentiation and Detection Thresholds

Detailed Statement of Compliance with Commercial Vehicle Requirements – If you require a mobile X-ray solution you will also need a comprehensive statement of the detailed Commercial vehicle requirements included in the proposal requiring a response from the respondent. This would include items where an indication of compliance would be important.

Information to be requested might include:

- Compliance with Statutory Requirements
- Life expectancy
- Servicing
- Alternative Proposals
- Concept Drawing
- Vehicle Performance

- Modifications
- Movement of Dangerous Goods (ionising radiation sources)
- Braking Performance
- Static Rollover Threshold
- Hazard Lights and Working Lights
- Weatherproofing
- Foot Supports
- User's Manual
- Maintenance Manuals
- Flashing and Body Lighting
- Locker and Step Lighting
- Operational Vision

Detailed Statement of Compliance with Information and Communication Technology – Consider whether the proposed equipment is capable of having full access to Customs' database and office software during operation. Mobile equipment should have real-time remote data access capability both during operations and while travelling.

Delivery and Deployment Schedule – Respondents to provide a delivery schedule for equipment proposed (including non-mandatory equipment) setting out dates for key stages including the delivery, installation, commissioning and deployment of the equipment. Where precise dates are not known, earliest and latest estimates should be stated.

Warranties – Respondents to describe the warranties that apply to each equipment category and to each component of the equipment (if component warranties vary). In particular, they should describe the warranties that are applicable to:

- Vehicle chassis and/or trailer; and
- Inspection equipment including radiation source parts (such as X-ray tubes).

Maintenance and Support – Respondents to describe how they intend to provide maintenance and support of the equipment throughout its lifecycle. This should address:

- Installation;
- Preventative Maintenance (including how this may reduce non-preventative maintenance);
- Technical Guidelines for first level maintenance which may be carried out by the Customs operators
- Servicing and Corrective Maintenance; and
- Operator Support.

Spare Parts – Respondents should propose pricing for any spare parts Customs required to be purchase with each equipment category to ensure the maximum availability of the equipment and minimum time to repair.

Health and Safety Issues – Respondents to describe their approach to ensuring the safety of staff operating each equipment category. In particular, Respondents should address the following:

- Radiation safety;

- Exclusion zones, warning signage, lighting and barriers to access to the equipment;
- Operator workstation and ergonomics, equipment, and other physical health and safety attributes; and,
- Procedures to ensure safety, including adherence to international standards and best practices in health and safety.

Ability to upgrade - Respondents to detail their proposals for product renewal and ability to upgrade of the proposed equipment.

Training - Respondents to detail their proposed schedule of training for the operation of the equipment. In particular, provide the following:

- What formal courses do they provide for operators (and trainers)?
- What training course documentation (including trainer manuals) and self-training packages do they provide?
- How do they assure competency of trainers and operators (e.g. examinations, certification, etc.)?
- Does the training specifically cover health and safety compliance?
- What qualifications and experience have their trainers achieved?
- What international standards or endorsements does their training meet with?

Country of Manufacture/Local Content – You may want Respondents to provide a schedule showing the country of manufacture for all major components of the proposed equipment, together with the manufacturer’s name. It may be your country’s policy to encourage government purchasers to actively consider the products and services of competitive local businesses. You may want Respondents to identify any components that are provided by local companies. However, this approach may not be permitted by your national procurement rules.

Statement of Acceptance of RFP Terms and Conditions – Respondents include a statement of acceptance with the RFP Terms and Conditions and in any subsequent related notifications to Respondents. Respondents should note that non-agreement to any of these clauses may result in rejection of a Respondent’s Proposal.

Client References and Site Visits – It is recommended that you ask respondents to supply the details a specified number of reference sites for each of the equipment categories proposed, where the equipment is currently being operated in an environment similar to that proposed by Customs. Contact information including business telephone, facsimile and e-mail details for the equipment operator should be provided and Respondents should obtain consent for Customs’ contact.

Pricing Schedule - Respondents should provide prices for all equipment and services proposed. For consistency, you should design a pricing spread sheet and consider including the following elements:

- Capital cost of the equipment including vehicle chassis, trailer and standard installation equipment;
- Spare parts to be purchased to maintain minimum required service levels;
- Delivery, including freight and insurance up to the point of acceptance by Customs;
- Deployment and installation costs;
- Preventative maintenance per annum;

- Service including corrective maintenance charges per annum;
- Operational support charges per annum;
- Training
- Estimate of consumables and operating costs for equipment proposed

Duties/taxes and Other Government Charges – The prices given in the spread sheet should be inclusive of all duties, taxes and other government charges payable upon entry.

Currency and Exchange Rate – All pricing shall be in a specified currency

F. Contract

You may want to draft a contract to outline the expectations of the Customs and the chosen supplier.

You could consider detailing the following elements in a contract:

- Duration of the contract;
- Duties and responsibilities of the parties;
- Payment modalities;
- Liability of the parties;
- Warranties and representations;
- Protection of intellectual property;
- Instances in which the contract may be terminated;
- Applicable law;
- Dispute resolution (e.g. negotiation, mediation, arbitration, litigation); and
- Any other elements, which are relevant for the procurement at hand.

Additional Information

- Statement by Authorised Officer
- Glossary of Terms
- Vehicle Compliance Rules, Regulations and Guidelines
- Pricing Schedule – template spread sheet