

# REGULATION ON INTERNATIONAL BIDDING

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## A. PREFERENCES IN INTERNATIONAL BIDDINGS

Entitled to preferences in international biddings shall be:

1. Contractors being enterprises established and operating in Vietnam under the Enterprise Law and Investment Law;
2. Partnership contractors when there are partners being contractors defined in Clause 1 of this Article who undertake jobs valued at over 50% of a consultancy or construction and installation bidding package or an EPC bidding package;
3. Contractors that participate in biddings for procurement of goods with domestic production costs representing 30% or more.

The Government shall specify preferences in international biddings.

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## B. BIDDING MODES

**1. The one-dossier-bag bidding mode** shall apply to open bidding and restricted bidding for procurement, construction and installation or EPC bidding packages. Contractors shall submit bids, including:

- technical
- financial proposals,

according to requirements of the bidding dossiers. Bids shall be opened only once.

**2. The two-dossier-bag bidding mode** shall apply to open bidding and restricted bidding for the supply of consultancy services. Contractors shall submit

- technical
- financial proposals separately, according to requirements of the bidding dossiers.

Bids shall be opened twice whereby technical proposals shall be opened first for evaluation; then, financial proposals of all contractors having technical proposals which have been evaluated as meeting the set requirements shall be opened for general evaluation. For bidding packages with high technical requirements, the financial proposals of contractors that attain the highest technical points shall be opened for consideration and negotiation.

**3. The two-stage bidding mode** shall apply to open bidding and restricted bidding for procurement, construction and installation or EPC bidding packages with new, complicated or diverse technical or technological specifications, which shall be conducted in the following order:

a/ **In the first stage**, based on the bidding dossiers for this stage, contractors shall submit

- technical proposals
- financial plans without bidding prices;

the bidding dossiers for the second stage shall be determined on the basis of discussion with each of the contractors participating in the first stage;

b/ **In the second stage**, based on the bidding dossiers for this stage, contractors that have participated in the first stage shall be invited to submit bids for the second stage, which shall cover

- technical proposals
- financial proposals, including bidding prices, and bid security measures.

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## **C. BID SECURITY**

**1. When participating in** procurement, construction and installation or EPC bidding packages, contractors must take measures to secure their participation in biddings before the time of closing bids. Where the two-stage bidding mode is applied, contractors shall apply the bid-security measure in the second stage.

**2. The value of a bid security** shall be specified in the bidding dossier at a definite level, based on the nature of each bidding package, which, however, must not exceed 3% of the approved price of the bidding package.

**3. The valid time limit of a bid security** shall be equal to that of bids plus thirty days.

**4. Where it is necessary to extend the valid time limit of bids**, bid solicitors shall have to request contractors to extend the validity of bid security respectively; in this case, contractors must not change contents of submitted bids, including bidding prices, and must correspondingly extend the

validity of bid security. Where contractors refuse to extend the validity of bids, bid solicitors must return bid security to contractors.

**5. Bid security shall be returned** to contractors that fail bids within 30 days after bidding results are announced. With regard to bid winners, bid security shall be returned after contractors take measures to secure the performance of contracts according to the provisions of Article 55 of this Law.

**6. Contractors shall not be allowed to get back bid security** in the following cases:

a/ Withdrawing their bids after the bid closure, provided that the bids are still valid;

b/ Failing, within 30 days after receiving bid-winning notices from bid solicitors, to negotiate and finalize contracts, or refusing to do so or having negotiated and finalized contracts but refusing to sign them without plausible reasons;

c/ Failing to take measures to secure the performance of contracts under the provisions of Article 55 of this Law.

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## **D. BID EVALUATION**

### **1. Bid-evaluation principles**

- The bid evaluation must be based on the criteria there for and other requirements in bidding dossiers in order to select contractors that have full capabilities, experiences and feasible solutions for execution of bidding packages.

- The bid evaluation must also be based on submitted bids and contractors' written explanations thereon.

### **2. Bid-evaluation order**

1. Preliminary evaluation of bids for elimination of invalid bids which fail to meet important requirements of bidding dossiers.

2. The detailed evaluation of bids shall be conducted according to the following provisions:

a/ To evaluate technical proposals of bids to determine whether they meet the basic requirements of bidding dossiers or not;

b/ For procurement, construction and installation or EPC bidding packages, to determine expenses on the same technical, financial and commercial grounds for comparing and ranking bids. For consultancy service-bidding packages, to conduct general evaluation for comparing and ranking bids; particularly for

consultancy service-bidding packages with high technical requirements, to consider financial proposals of contractors who rank first in terms of technical aspect.

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## **D. REGULATIONS ON TIME IN BIDDING**

Based on the nature of each bidding package, competent persons shall decide on time in bidding according to the following provisions:

**1. The pre-qualification time** shall be at most 30 days for domestic bidding, and 45 days for international bidding, from the date of distribution of dossiers of invitation for pre-qualification till the approval of pre-qualification results.

**2. The time for announcement of an invitation** for bids shall be at least 10 days, before the distribution of the bidding dossier.

**3. The time for preparation of bids** shall be at least 15 days for domestic bidding, and 30 days for international bidding, from the date of distribution of bidding dossiers till the bid-closing time.

**4. The valid time limit of bids** shall be at most 180 days as from the bid-closing time; in case of necessity, this time limit may be extended for not more than 30 days.

**5. The time for bid evaluation** shall be at most 45 days for domestic bidding and 60 days for international bidding, from the bid-opening date till the time the investors receive reports on bidding results for submission to competent persons for consideration and decision.

**6. The time for evaluation of bidding plans, bidding dossiers or contractor-selecting results** shall be at most 20 days. With regard to bidding plans or contractor-selecting results of bidding packages approved by the Prime Minister, it shall be at most 30 days.