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21 January 2004

DOCUMENT
AC/4-D(2004)0001 (INV)

INFRASTRUCTURE COMMITTEE
BEST VALUE PROCEDURES TRIAL

Note by the Secretary

Reference: AC/4-WP(2002004-REV4 (INV); DS(2003)29 (INV) item 1.2.1

1. Attached at Annex 1 are the details applicable to the Best Value Procedures Trial. These were agreed by the Infrastructure Committee at its meeting on 11 November 2003 (reference).
2. The Committee "at 19":
 - 2.1 agreed that procurement by best value would be the subject of a trial having a duration of three years and concluding 31 December 2006;
 - 2.2 agreed that the Best Value Procedures as laid out in Appendix 1 to this document would be used for best value procurements during the trial period;
 - 2.3 noted that the Best Value Procedures, as laid out in Appendix 1, would become part of an addendum to AC/4-D/2261 (1996 Edition);
 - 2.4 noted that the use of Best Value Procedures for individual procurements would be the subject of separate decisions by the Committee;
 - 2.5 invited the International Staff, at the conclusion of the trial period, to prepare a report containing findings, lessons learned, and recommendations regarding the future use of Best Value Procedures;
 - 2.6 noted that the development of more detailed Best Value Procedures would continue in the Infrastructure Committee.

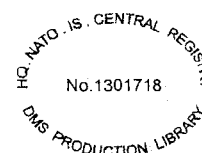
(Signed) B. Haane

1 Annex
1 Appendix

Original: English

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INFRASTRUCTURE COMMITTEE
BEST VALUE PROCEDURES TRIAL

References: (a) AC/4-D/2261(1996 Edition)
(b) AC/4(WG/1)D(2002)002
(c) AC/4(WG/1)WP(2000)006-REV12
(d) Informal Meeting 6 October 2003

1. The agreed Best Value Procedures (BVP) now include:
 - 1.1 including BVP as an addendum to the basic document but with a fixed three year time-limit for the trial;
 - 1.2 those aspects of the use of BVP that require separate agreement by the Infrastructure Committee,
 - 1.3 other information that the Host Nation must provide, i.e. bid evaluation procedures, for notation by the Infrastructure Committee.
2. As a complement to the trial procedure, the Committee noted that the simplified BVP needed to be further developed in order to ensure that they fully reflect the needs of nations. Accordingly, the Infrastructure Committee "at 19":
 - 2.1 agreed that procurement by best value would be the subject of a trial having a duration of three years and concluding 31 December 2006;
 - 2.2 agreed that the Best Value Procedures as laid out in Appendix 1 to this document would be used for best value procurements during the trial period;
 - 2.3 noted that the use of Best Value Procedures for individual procurements would be the subject of separate decisions by the Committee;
 - 2.4 invited the International Staff, at the conclusion of the trial period, to prepare a report containing findings, lessons learned, and recommendations regarding the future use of Best Value Procedures;
 - 2.5 noted that the development of more detailed Best Value Procedures will continue in the Infrastructure Committee.

(Signed) R. DOBSON

INFRASTRUCTURE COMMITTEE

AC/4-D/2261 (1996 Edition)-ADD.1 (INV) - BEST VALUE PROCEDURES

1. Best Value Procedures, as described in this document, will be in effect for a period of three years, concluding 31 December 2006.
2. The Infrastructure Committee shall agree to the use of Best Value Procedures as an evaluation and working methodology in the framework of the existing ICB procedures. In addition, the Committee shall agree to the top-level criteria with their weighting factors and shall note the evaluation methodology proposed by the Host Nation. Top level criteria are the highest level summary categories which will be used to evaluate bids; sub-criteria, when available, will be associated with each top-level criterion. Weighting factors indicate the relative importance of the top-level criteria.
3. As regards bid evaluation, the Host Nation shall specify in the "cahier des charges", as a minimum, the approved top level criteria and their weighting factors and the sub-criteria in descending order of importance. In addition, the "cahier des charges" shall state that the bid evaluation methodology to be followed will be as noted by the Infrastructure Committee.
4. Once the Infrastructure Committee has agreed to the use of Best Value Procedures as an evaluation and working methodology, the following sub-paragraphs will be substituted for the like-numbered sub-paragraphs in the basic document AC/4-D/2261 (1996 Edition):
 - 4.1 sub-paragraph 13 (i):

the host nation will normally award a contract to the bidder offering best value. However, should the host nation intend to award the contract to another compliant bidder it must seek the approval of the Committee before making the award;
 - 4.2 sub-paragraph 13 (iii) (a):

if it considers that all bids are compliant, the host nation will then open the price bids and use the price in the best value bid evaluation process. Following completion of the bid evaluation process, the choice of the winning bid should be immediately made known to all bidders. No earlier than 21 days after the date of such notification the contract may be let to the best value bidder;