

REGULATION OF THE HEAD OF THE NATIONAL PUBLIC
PROCUREMENT AGENCY OF THE REPUBLIC OF INDONESIA
NUMBER 19 OF 2015

ON
PROCEDURES OF PROCUREMENT OF PUBLIC PRIVATE PARTNERSHIP IN
PROVIDING INFRASTRUCTURE

BY THE BLESSINGS OF ALMIGHTY GOD

THE HEAD OF THE NATIONAL PUBLIC PROCUREMENT AGENCY,

Considering : that in order to implement the provisions in Article 28 section 3 and Article 40, Regulation of the President Number 38 of 2015 on Public Private Partnership for Provision of Infrastructure, it is necessary to establish the Regulation of the Head of the National Public Procurement Agency on Procedures for Implementation of Business Entity Procurement in Public Private Partnership for Provision of Infrastructure;

Observing : 1. Regulation of the President Number 38 of 2015 on Public and Private Partnership for Provision of Infrastructure (State Gazette of 2015 Number 62);
2. Regulation of the President Number 106 of 2007 on the National Public Procurement Agency as amended by Regulation of the President Number 157 of 2014 on Amendment to the Regulation of the President Number 106 of 2007 on the National Public Procurement Agency (State Gazette of 2014 Number 314);

HAS DECIDED:

To issue : REGULATION OF THE HEAD OF THE NATIONAL PUBLIC PROCUREMENT AGENCY OF THE REPUBLIC OF INDONESIA ON PROCEDURES OF PROCUREMENT OF PUBLIC PRIVATE PARTNERSHIP IN PROVIDING INFRASTRUCTURE.

CHAPTER I
GENERAL PROVISIONS

Part One
Definitions and Terms

Article 1

In this Head Regulation:

1. Public Private Partnership hereinafter referred to as PPP, means a partnership between the government and a PPP Implementing Business Entity in Providing Public Infrastructure which refers to specifications determined by the Minister/Head of Agency/Head of Region/State-Owned Enterprises/Regional-Owned Enterprises, which partially or fully utilizes Business Entity resources, regarding risk allocation between the parties.
2. Business Entity means a State-Owned Enterprise, a Regional-Owned Enterprise or a Private Enterprise in the form of a Limited Liability Company, a foreign legal entity, or a cooperative.
3. Government Contracting Agency hereinafter referred to as GCA, means a Minister/Head of Agency/Head of Region/Director of State-Owned Enterprise or Director of Regional-Owned Enterprise who is responsible for public infrastructure.
4. PPP Preparation hereinafter referred to as a Preparation means an activity conducted by the GCA resulting among which pre-feasibility study, plan for Government Support and/or Government Guarantee, determination of procedures for investment return, and land acquisition.
5. PPP Transaction hereinafter referred to as a Transaction, means an activity consisting of a Procurement of an

Implementing Business Entity, a signing of a PPP Contract, and a financial close.

6. PPP Preparation Agency hereinafter referred to as a Preparation Agency, means a Business Entity or a National or International Agency/Institution/Organization chosen through a Consensus or Selection to assist and/or fund a PPP Project Preparation and Transaction or only PPP Project Transaction.
7. Procurement means a Procurement process of an Implementing Business Entity and a Preparation Agency.
8. PPP Implementing Business Entity hereinafter referred to as the Implementing Business Entity means a Limited Liability Company established by the winner of a tender or Business Entity which directly appointed.
9. Procurement of Implementing Business Entity means a series of activities for selecting a partner of the GCA in implementing the PPP Project.
10. Procurement of Preparation Agency means a series of activities for selecting Business Entity and National or International Agency/Institution/Organization which provide assistance and/or fund either for a Preparation and Transaction or only a Transaction.
11. Pre-qualification means an assessment process of a competency and business capability as well as the fulfillment of other specific requirements of the Participants before the selection process.
12. Selection means a method of selecting Preparation Agency by inviting as many prospective Participants as possible through invitations or broadly announcements.
13. Tender means a method of selecting Implementing Business Entity by inviting as many participants as possible through invitations or broadly announcements.
14. Direct Appointment means a method of selecting an Implementing Business Entity through negotiation with one participant.
15. Procurement Document means a document prepared by Procurement Committee consisting of a Pre-Qualification Document and a Request for Proposal (RfP).

16. Qualification Document means a document submitted by participants to fulfill requirements as stated in the Pre-Qualification Document.
17. Bidding Proposal means a document submitted by participants consisting of administrative, technical and financial document as required in a Request for Proposal (RfP).
18. PPP Team means a team established by the GCA to help the GCA in Preparation stage and Transaction stage, particularly after establishing the Implementing Business Entity until financial close, and to coordinate with the PPP Node in the PPP implementation.
19. Procurement Committee means a team established by the GCA whose roles and responsibilities are to prepare and procure the Implementing Business Entity at transaction stage.
20. Procurement Service Unit means a permanent organization, either independent or attached to an existing unit within the Ministry/Agency/Regional Government/Institution whose function is to conduct procurements.
21. PPP Contract means a written agreement between the GCA and an Implementing Business Entity for Providing Infrastructure.
22. Preparation Contract means a written agreement between the GCA and a Preparation Agency for an implementation of Preparation and Transaction activities or Transaction activities only.
23. PPP Project means Provision of Infrastructure conducted through the PPP Contract between the GCA and the Implementing Business Entity.
24. Government Support means a fiscal contribution and/or other forms of contribution to improve financial feasibility and PPP effectiveness provided by the Minister/Head of Agency/Head of Region and/or minister carrying out government affairs in the field of finance and state assets according to each jurisdiction under laws and regulations.

25. Government Guarantee means a financial compensation provided by the Minister carrying out government affairs in the field of finance and state assets to an Implementing Business Entity through a scheme of risk allocation for a Partnership Project.
26. Data Room means a physical and electronic data room prepared by the GCA and managed by a Committee of the Procurement of Implementing Business Entity to ease access and to ensure security of the document related to a Procurement of Implementing Business Entity.
27. Procurement Participant(s) hereinafter referred to as the Participants means a party who participates in the Pre-Qualification process and/or be invited to submit a Bidding Proposal.
28. Confidentiality Letter means a statement of commitment from Participants to keep the confidentiality of all information obtained from the Data Room.

Part Two

Scopes

Article 2

The scopes of this Head Regulation consist of:

- a. Procurement of Implementing Business Entity; and
- b. Procurement of Preparation Agency without block grant funding.

Article 3

The Procurement of Implementing Business Entity as referred to in Article 2 point a is for a PPP Project initiated by the Minister/Head of Agency/Head of Region (solicited) as well as initiated by Business Entity (unsolicited).

Article 4

The scopes of the Preparation Agency activities as referred to in Article 2 point b covers the assistance and/or the funding of:

- a. The Preparation and Transaction; or
- b. The Transaction.

Part Three
Procurement Principles

Article 5

The Procurement is conducted with the following principles:

- a. Efficient means that the Procurement has to use a minimum fund and effort to reach the determined quality, targets and time or use the determined fund to get the results and reach the targets with a maximum quality;
- b. Effective means that the Procurement is in accordance with the determined needs and the targets and has to give optimum benefits;
- c. Transparent, means that all requirements and information on the Procurement have to be completely and clearly exposed and widely known by all interested Participants as well as the public in general;
- d. Open, means that all Participants which meet certain requirements may participate in the Procurement based on determined requirements and clear procedures;
- e. Competitive, means that the Procurement has to be conducted through a fair competition among as many equal and qualified Participants as possible, so the infrastructure/service which is offered competitively could be obtained and there is no intervention which disrupts the market mechanism in the Procurement;
- f. Fair/non-discrimination, means that all Participants will receive an equal treatment and no privilege will be given to a specific party while maintaining national interest; and
- g. Accountable, means that the Procurement is in accordance with the regulations and provisions associated with the Procurement and accountable.

CHAPTER II
PROCUREMENT ORGANIZATION

Part One
Government Contracting Agency

Article 6

- (1) The tasks and responsibilities of the GCA in the Procurement Process are as follows:
 - a. to prepare the budget for the implementation of the PPP Project Procurement and the PPP Contract;
 - b. to establish the PPP Team and the Procurement Committee;
 - c. to provide the Data Room;
 - d. to give approvals for revisions in the Procurement Document proposed by the Procurement Committee;
 - e. to conduct the market sounding in the implementation of the Transaction;
 - f. to determine the Owner's Estimate (OE) in selecting the Preparation Agency;
 - g. to determine the winner of the Tender or the Selection;
 - h. to issue the letter of award for the Tender or the Selection;
 - i. to issue the designation letter for the Implementing Business Entity and the Preparation Agency;
 - j. to determine the result of Direct Appointment;
 - k. to respond to the objections;
 - l. to declare that the Pre-Qualification process or the selection process fail;
 - m. to sign the Preparation Contract; and
 - n. to sign the PPP Contract.
- (2) The cost of the Procurement implementation as referred to in section (1) point a includes:
 - a. cost for the announcements;
 - b. multiplication of the documents;
 - c. honorarium for the Procurement Committee; and
 - d. other required costs.

Part Two
Public Private Partnership Team

Article 7

- (1) The GCA is assisted by the PPP Team in carrying out:
 - a. the activities in the transaction stage until the financial close; and
 - b. the Procurement of Implementing Business Entities activities, if required.
- (2) The tasks and responsibilities of the PPP Team during the procurement process are:
 - a. to coordinate with the Procurement Committee throughout the procurement process ;
 - b. to prepare the Terms of Reference (ToR) for the Procurement of Preparation Agency; and
 - c. to assist the GCA in monitoring the Procurement implementation.

Part Three
Procurement Committee

Article 8

- (1) The tasks and responsibilities of the Procurement Committee are:
 - a. to determine the Procurement Document and its revisions (if any) after obtaining an approval from the GCA;
 - b. to manage the data and information in the Data Room;
 - c. to announce the Procurement process;
 - d. to assess the Participants' qualification through Pre-qualification process;
 - e. to provide the explanation of the Procurement Document;
 - f. to conduct administrative, technical and financial evaluations for the Participants' proposal;
 - g. to conduct optimization discussions for the Two-

- Stage Tender method;
- h. to conduct negotiations;
 - i. to propose the winner of the Selection or the Tender;
 - j. to propose the determination of the Implementing Business Entity through Direct Appointment;
 - k. to coordinate with the PPP Team during the Procurement Process;
 - l. to report the Procurement Implementation process to the GCA periodically;
 - m. to submit the original documents of the Procurement Process to the PPP Node after the completion of the Procurement process; and
 - n. to submit the copy of the Procurement process documents to the GCA.
- (2) Decisions made by the Procurement Committee are taken based on a deliberative consensus.
 - (3) In the event that the deliberative consensus cannot be reached, decisions are taken based on the majority of votes.
 - (4) In the event of the decision is taken based on the majority of votes as referred to in section (3), each member will have 1 (one) voting right which cannot be represented to other members.
 - (5) In carrying out its tasks, the Procurement Committee may be assisted by professional experts and/or the Preparation Agency.

Article 9

The Procurement Committee shall fulfill the following requirements:

- a. odd number with a minimum of five (5) persons and may be added accordingly;
- b. originated from the agency itself and may come from the associated agency/work unit;
- c. may originated from the personnel of the Procurement Service Unit (PSU) within the Ministry/Agency/Regional Government;

- d. the Procurement Committee established by the Board of the State-owned/Regional-owned Enterprise which acts as a GCA in accordance with sector laws and regulations is the personnel from the State-owned/Regional-owned Enterprise itself;
- e. the Procurement Committee consisting of members which are competent in:
 - 1) Procurement procedures;
 - 2) PPP Procedures;
 - 3) scope of the partnership project work;
 - 4) contract laws and provision of the prevailing laws and regulations in the related infrastructure sector;
 - 5) technical aspect related to the partnership project; and
 - 6) business and the financial aspect related to the partnership project.
- f. Procurement Committee members are prohibited to have an affiliation with other members of the Procurement Committee and/or with the GCA and/or the Participants in the same PPP Project Procurement; and
- g. signs the Integrity Pact.

CHAPTER III CONFLICT OF INTEREST

Article 10

- (1) The parties involved in the Procurement is obligated to avoid and prevent any conflict of interest within the parties directly or indirectly, including the affiliation relationship.
- (2) The conflict of interest as referred to in number (1) includes:
 - a. the parties involved in the Preparation and/or Transaction Stage as the consultants or Preparation Agency that act as:
 - 1) the Participants or members of Participant consortium of the Procurement of Implementing

- Business Entity in the same PPP Project;
 - 2) the shareholders and/or the executive boards of the companies which become the Participants or the companies of the members of the participant consortium of the Procurement of Implementing Business Entity in the same PPP Project;
 - 3) Financier or Guarantee Issuer for the same PPP Project; and/or
 - 4) the consultants for Participants of the Procurement of Implementing Business Entity in the same PPP Project.
- b. the party acting as a consultant for more than 1 (one) Participants in the same PPP Project;
 - c. a member of the Board of Directors or Commissioners of a Business Entity who becomes the Participant and at the same time, also holds a position as a member of the Board of Directors or Commissioners of another Business Entity participating in the same PPP Project;
 - d. a member of the GCA/PPP Team/Procurement Committee who has an affiliation with the Participant in the same PPP Project;
 - e. 2 (two) different Business Entities participating in the Procurement controlled by the same party(ies) directly or indirectly; and/or
 - f. activities or actions which may potentially inflict an unfair business competition as referred to in the rules and regulations on the prohibition of the monopoly practice and the unfair business competition.
- (3) Affiliation as referred to in section (2) point d is:
- a. a family relationship because of marriage and a second degree family relationship horizontally or vertically; and/or
 - b. to have control over the Participant company directly and indirectly.

- (4) The parties which have conflict of interest in the same PPP Project are prohibited from being involved in the Procurement process.
- (5) The GCA/PPP Team/Procurement Committee/Participants or other parties involved in the Procurement shall sign the Integrity Pact as a commitment to avoid conflict of interest.

CHAPTER IV

THE PROCUREMENT OF IMPLEMENTING BUSINESS ENTITY

Part One

General

Article 11

- (1) In carrying out the GCA functions, the Minister/Head of the Agency/Head of Region and Directors of State-Owned/Regional Owned Enterprise conduct the Procurement of Implementing Business Entity.
- (2) The activities of the Procurement of Implementing Business Entity are conducted by adhering to the documents produced during the PPP Preparation Stage.
- (3) The activities of the Procurement of Implementing Business Entity are conducted after the GCA issues a statement stating that the PPP Project is technically, economically and financially feasible based on the documents produced during the PPP Preparation Stage.
- (4) In the event that the PPP project as referred to in section (3) requires a Feasibility Support, the GCA shall obtain the principle approval of Viability Support in accordance with the prevailing laws and regulations.

Article 12

The Procurement of Implementing Business Entity consists of the preparation and the implementation.

Part Two

The Preparation of the Procurement of Implementing Business Entity

Article 13

- (1) The Preparation of the Procurement of Implementing Business Entity is conducted by the Procurement Committee.
- (2) The Preparation of the Procurement of Implementing Business Entity as referred to in section (1) consists of the following activities:
 - a. the confirmation of PPP project readiness to proceed to the stage of the Procurement of Implementing Business Entity ;
 - b. the market interest confirmation;
 - c. the arrangement of the schedule of the Procurement of Implementing Business Entity and the draft announcement;
 - d. the preparation and the determination of the Procurement Document of Implementing Business Entity; and
 - e. the management of the Data Room for the purpose of due diligence.

Article 14

- (1) The PPP project readiness confirmation as referred to in Article 13 section (2) point a is conducted by creating a checklist on the documents/data completeness of PPP project readiness.
- (2) The completeness of documents/data as referred to in section (1) refers to the ministerial regulation which implements the government affairs in the field of national development planning.
- (3) In the event that PPP project readiness data have not fulfilled the provisions referred to in section (2), Procurement Committee returns the documents/data to the GCA through the PPP Team for revision or completion.

- (4) The revisions and the data completion process as referred to in section (3) are completed at the latest before the process of the Procurement of Implementing Business Entity begins.

Article 15

- (1) The Market Interest Confirmation as referred to in Article 13 Para (2) point b is carried out by the Procurement Committee to ensure the Business Entity's interest towards the partnership project.
- (2) The Market Interest Confirmation as referred to in Para (1) may be conducted in the various forms, among others by reviewing the result of market sounding which has been conducted by the GCA or the discussions in the Business Entity forums.

Article 16

- (1) The schedule arrangement of the Procurement of Implementing Business Entity shall allocate sufficient time to conduct all the stages of the Procurement of Implementing Business Entity.
- (2) The Procurement Committee prepares the announcement and determines the announcement media which are able to reach prospective participants widely.

Article 17

- (1) The Procurement Committee prepares the Procurement Document of Implementing Business Entity, which consists of Pre-Qualification Document and the Request for Proposal (RfP).
- (2) The Procurement Document is prepared based on the result of the Preparation.
- (3) The Procurement Document is determined by the Procurement Committee after obtaining the GCA's approval.

Article 18

The Implementing Business Entity Pre-qualification Document as referred to in Article 17 Para (1) at least includes as follows:

- a. the PPP Project background and brief description;
- b. the Objectives of the PPP Project;
- c. the object and the scope of the partnership project;
- d. important information associated with PPP Project;
- e. the Participants' qualification requirements; and
- f. the qualification process details which include the schedule, criteria and qualification assessment procedures, including the matters that can cause eliminations, the forms and the formats for filling out the Qualification Document.

Article 19

The Request for Proposal (RfP) as referred to in Article 17 Para (1) at least includes as follows:

- a. general information on the PPP Project;
- b. instruction for the Participants;
- c. terms of the opening and the evaluation of the Bidding Document;
- d. the prohibition of the Corruption, Collusion and Nepotism practice, fraud and the conflict of interest;
- e. required services and technical specification;
- f. risk allocation matrix;
- g. payment mechanism;
- h. financial model and funding source;
- i. fulfillment of the requirements associated with legal, social and environmental aspects;
- j. Guarantee and the requirements for Guarantee;
- k. other Issues deemed necessary by the Procurement Committee to be included and required in the Request for Proposal (RfP); and
- l. attachments which consist of:
 - 1) a memorandum of Information;
 - 2) a draft PPP Contract;
 - 3) the main provisions of the guarantee agreement (if the Government's Guarantee is required); and
 - 4) other required documents.

Article 20

- (1) The Participants who pass Pre-Qualification and have submitted the Confidentiality Letter are granted access to the Data Room as referred to in article 13 Para (2) point e.
- (2) The Data Room as referred to in Para (1) consists of:
 - a. Documents associated with PPP Project;
 - b. the Procurement Document and its revisions (if any);
and
 - c. copies of the documents related to the Procurement of Implementing Business Entity which have been distributed to the Participants.

Part Three

Implementation of the Procurement of Implementing Business
Entity

Article 21

- (1) The Implementation of the Procurement of Implementing Business Entity covers the following activities:
 - a. the Pre-qualification; and
 - b. the selection.
- (2) The selection of Implementing Business Entity as referred to in Para (1) point b, is conducted through:
 - a. the Tender; or
 - b. the Direct Appointment.

Paragraph 1

Pre-qualification

Article 22

- (1) The requirements for the Procurement of Implementing Business Entity Pre-qualification Participants are at least:
 - a. to comply with the rules and regulation for carrying out activities/running a business;
 - b. to possess the experience and the capability to fund and implement the PPP Project.

- c. in the event of the Participants forming a consortium:
 - 1) at least one of its members has the experience and the capability in implementing the PPP Project; and
 - 2) the experience and the funding capability are assessed aggregately.
- d. to fulfill their tax obligation;
- e. not under the custodian, bankrupt or the business being dissolved;
- f. to have no any conflict of interest as referred to in Article 10;
- g. in the event that the Participant is in the form of a legal foreign entity, the documents issued by other country which will be used in Indonesia is legalized by the public notary in the country where the documents are issued, and legalized by the Indonesian Embassy or Consulate;
- h. in the event of the participant who is an International Business Entity or Agency/Institution/Organization by prioritizing on good Procurement Principle, and fulfilling the tax obligation in accordance with laws and regulation in its own country;
- i. the Participants may be in the form of a single Business Entity or a consortium;
- j. in the event of the Participants forming a consortium, the following terms have to be fulfilled:
 - 1) The Participants own a Consortium Agreement;
 - 2) The Consortium Agreement as referred to in point (1) includes at least:
 - a) the obligations and the responsibilities of each Business Entities;
 - b) the appointment of the consortium lead which represents the consortium;
 - c) the obligations and the responsibilities of the consortium lead;

- d) the consortium lead can consist of more than 1 (one) Business Entity;
 - e) the lead consortium has to own the majority of the equity of the Implementing Business Entity formed if the consortium is determined or appointed as the winner of the selection; and
 - f) in the event of more than 1 (one) consortium lead, an authorized representative of the consortium is appointed.
- k. Not the Entity or Agency/Institution/National or International Organization which conducts the Preparation and the Transaction of the same PPP project;
 - l. the Preparation terms as referred to in point f do not apply to the PPP Initiating Business Entity in the unsolicited projects; and
 - m. during the Process of the Procurement of Implementing Business Entity, the members of the consortium, which become the Participants, are not allowed to become the members of, or to participate or to be involved directly or indirectly in any way with other consortiums in any stage or to become a prospective individual Business Entity in the same PPP Project.
- (2) In preparing the qualification requirements, the Procurement Committee is prohibited to add qualification requirements which aim at discriminating and giving unfair advantages to certain parties.

Article 23

- (1) The Pre-qualification Stage of the Procurement of Implementing Business Entity covers the following activities:
- a. the announcement of the Pre-qualification;
 - b. the registration and the collection of Pre-

- Qualification Document;
- c. the explanation of the PPP Project, the scope of work of the PPP Project Implementation activities and the Pre-Qualification Document;
 - d. the qualification document submission;
 - e. the qualification evaluation;
 - f. the determination and the announcement of the qualification results; and
 - g. the qualification objection.
- (2) The Implementing Business Entity Qualification assessment in the Pre-qualification stage as referred to in Para (1) at least covers:
- a. the fulfillment of the administrative requirements;
 - b. the technical capability; and
 - c. the financial capability.
- (3) In the event that the qualification assessment as referred to in section (2) results in more than 1(one) qualified Business Entity, the Procurement stage is proceeded with the Tender.
- (4) In the event that the Pre-Qualification assessment as referred to in Para (2) results in only 1 (one) Business Entity, the Procurement stage is proceeded with the Direct Appointment.

Article 24

- (1) The Pre-qualification fails if:
- a. there is no Participant who submits the qualification document;
 - b. the Pre-qualification does not result in any qualified Business Entity; or
 - c. the Objection is accepted by the GCA which consists of:
 - 1) an allegation of Corruption, Collusion and Nepotism practice and/or a violation of fair competition principle in the implementation of the pre-qualification; or
 - 2) the Pre-qualification Document is not according to this Head Regulation.

- (2) In the event of the Pre-Qualification declared fail, the GCA reviews the cause(s) of the failure.
- (3) Based on the result of the review as referred in section (2), the GCA might instruct the Procurement Committee to repeat the Pre-Qualification.
- (4) If the repeat of the Pre-Qualification fails, the procurement process is terminated and the GCA reviews the PPP Preparation.

Paragraph 2
Selection

Article 25

The Selection of the Implementing Business Entity is conducted through:

- a. the Tender; or
- b. the Direct Appointment.

Article 26

The Tender as referred to in Article 25 point a, consists of:

- a. the One-Stage Tender; or
- b. the Two-Stage Tender.

Article 27

- (1) The selection of the Implementing Business Entity with the One-Stage Tender is conducted for the PPP project with the following characteristics:
 - a. specifications of the providing of Infrastructure can be formulated clearly; and
 - b. a technical optimization discussion for obtaining the maximum output is not required.
- (2) The Evaluation methods for Bidding Proposal of the Selection of Implementing Business Entity with One-Stage tender are:
 - a. Pass and Fail System with the threshold limit (technically) and best finance/lowest rate of investment return; or

- b. Merit Point System
- (3) The Viability Support Value is applied as a financial parameter taken part in the competition for the PPP project obtaining the Viability Support.
 - (4) The selection of Business Entity with One-Stage Tender as referred to in section (1) at least covers the following activities:
 - a. invitation to the qualified Business Entities by attaching the Request for Proposal (RfP);
 - b. delivery of the Confidentiality Letter;
 - c. pre-bid meeting;
 - d. revisions to the Request for Proposal (RfP), if required;
 - e. submission of the Envelope I and II Bidding Proposal;
 - f. opening of the Envelope I Bidding Proposal;
 - g. evaluation of the Envelope I Bidding Proposal;
 - h. announcement of the Envelope I evaluation result;
 - i. opening of the Envelope II Bidding Proposal;
 - j. evaluation of the Envelope II Bidding Proposal;
 - k. issuance of the Minutes of the Tender Result;
 - l. determination of the winner;
 - m. announcement of the Tender result;
 - n. objections;
 - o. issuance of the Letter of Award; and
 - p. preparation of signing the PPP Contract.

Article 28

- (1) The selection of Business Entity with Two-Stage Tender is conducted for the PPP project with the following characteristics:
 - a. the specifications for the Providing of Infrastructure has not been accurately formulated due to the variation of innovations and technology; and
 - b. the technical bid optimization is required for obtaining the optimal output.

- (2) The Evaluation method for Bidding Proposal of the Selection of Implementing Business Entity with Two-Stage Tender uses the Merit Point system in order to produce the most economical and advantageous bid by combining the technical and financial bid scores.
- (3) The Viability Support Value is applied as a financial parameter taken part in the competition for the PPP project obtaining the Viability Support.
- (4) The Implementing Business Entity selection with Two-Stage Bidding as referred to in Para (1) at least covers the following activities:
 - a. invitation to the qualified Business Entities by attaching the Request for Proposal (RfP);
 - b. delivery of the Confidentiality Letter;
 - c. pre-bid meeting;
 - d. revisions to the Request for Proposal (RfP), if required;
 - e. submission of the Stage I Bidding Proposal (administrative and technical documents);
 - f. opening of the Stage I Bidding Proposal;
 - g. evaluation of the Stage I Bidding Proposal;
 - h. evaluation result announcement of the Stage I Bidding Proposal to each Participant;
 - i. discussion on technical optimization, financial aspects and the draft PPP Contract;
 - j. revisions to the Request for Proposal (RfP), if required;
 - k. submission of the Stage II Bidding Proposal (optimized technical Bidding Proposal if any and the financial Bidding Proposal);
 - l. opening of the Stage II Bidding Proposal;
 - m. Evaluation of the Stage II Bidding Proposal;
 - n. Issuance of the Minutes Of the Tender Result;
 - o. Determination of the winner;
 - p. announcement of the Tender result;
 - q. objections;
 - r. issuance of the Letter of Award; and
 - s. preparation of signing the PPP Contract.

Article 29

- (1) The Procurement of Implementing Business Entity through Direct Appointment as referred to in Article 25 point b may be conducted if:
 - a. there are special conditions for the PPP; or
 - b. Business Entity Pre-qualification only produces one Participant.
- (2) The special conditions as referred to in Para (1) point a are:
 - a. the development of an infrastructure which has been previously built and/or operated by the same Implementing Business Entity;
 - b. the work may only be conducted with the use of a new technology and can only be applied by only one service provider; or
 - c. the Business Entity has acquired most or the whole plot of land required for the implementation of the PPP.
- (3) The Direct Appointment in a special condition as referred to in Para (2) may be conducted as long as it does not contradict with the laws or regulations of the relevant sector.
- (4) The Direct Appointment in a special condition as referred to in Para (2) point a can be conducted in terms of:
 - a. the performance of the Implementing Business Entity in constructing and/or operating the PPP Project is considered excellent based on the result of an independent audit; and
 - b. based on the GCA study, the PPP project is more effective and efficient when it is conducted by the same Implementing Business Entity.
- (5) The Direct Appointment in special conditions as referred to in Para (2) point c can only be conducted in terms of:
 - a. the land required to implement PPP is the specific area and cannot be moved to another location;
 - b. the PPP is technically, economically and financially feasible without Viability Support.

- (6) In the event of the Direct Appointment on certain conditions as referred to in section (2) point c which the rest of the land has not been acquired, the acquisition of the rest of the land is the responsibility of the Implementing Business Entity
- (7) The selection of Business Entity with Direct Appointment as referred to in Para (1) point a, covers the following activities:
 - a. invitation to the Implementing Business Entity candidates that fulfill the terms in section (1) point a by attaching the qualification forms document, the Request for Proposal (RfP) and the Confidentiality Letter;
 - b. submission of the qualification document;
 - c. qualification evaluation;
 - d. pre-bid meeting;
 - e. submission of the Bidding Proposal;
 - f. evaluation of the Bidding Proposal, clarification and negotiation;
 - g. delivery of the Direct Appointment result to obtain an approval from the GCA attached to the Minutes of the Direct Appointment;
 - h. determination and the announcement of the Implementing Business Entity; and
 - i. preparation of signing the PPP Contract
- (8) The selection of Implementing Business Entity by Direct Appointment as referred to in Para (1) point b, at least covers the following activities:
 - a. the invitations to the Participants that pass the Pre-Qualification as referred to in Para (1) point b by attaching the Request for Proposal (RfP);
 - b. the pre-bid meeting;
 - c. the submission of the Bidding Proposal;
 - d. the evaluation of the Bidding Proposal, clarification and negotiation;
 - e. the delivery of the Direct Appointment result to

- obtain an approval from the GCA attached to the Minutes of Meeting of the Direct Appointment;
- f. the determination and the announcement of the Implementing Business Entity; and
- g. The preparation of signing the PPP Contract.

Article 30

- (1) The Tender is declared void if:
 - a. there is no Participant who submits the Bidding Proposal;
 - b. there is no winner of the Tender;
 - c. the Bid evaluation finds an evidence of unfair competition; or
 - d. the objection is accepted by the GCA which consist of:
 - 1) allegation of Corruption, Collusion and Nepotism and/or a violation of a fair business competition in the implementation of the tender; or
 - 2) Procurement Document is not in accordance with this Head Regulation.
- (2) In the event that the tender fails, the GCA will review the cause of failure and/or follow it up with:
 - a. requesting the Procurement Committee to conduct a repeat of the tender; or
 - b. terminating the tender process.

Paragraph 3

Tender for Unsolicited PPP Project

Article 31

- (1) The Unsolicited PPP Project might be given a compensation, stated in the Procurement Document, to the Initiating Business Entity
- (2) In the event that the compensation as referred to in Para (1) is in the form of purchasing the Initiative of the PPP by

the minister/Head of Agency/Head of Region or the winner of the tender, including its Intellectual Property Rights the Initiating Business Entity is allowed to bid, and the Procurement Document consists of the following provisions:

- a. the Initiating Business Entity submits a Confidentiality Agreement regarding to non-use and non-disclosure of initiatives, parts or the whole, for any reasons and to anyone without a written agreement from GCA;
- b. the technology used for the bid must be the same as the initiative;
- c. the Initiating Business Entity does not receive any other compensation;
- d. In the event that the Initiating Business Entity is a member of consortium in the bid process, the Initiating Business Entity does not withdraw from the membership of the consortium in the period agreed by the GCA; and
- e. the Initiating Business Entity agrees to re-purchase the initiative in accordance with the provisions of laws and regulations if such Entity wins the Tender.

Paragraph 4

Procurement Bond

Article 32

- (1) The Implementing Business Entity Procurement Bond consists of:
 - a. the Bid Bond; and
 - b. the Performance Bond.
- (2) The Procurement Bond is issued by a national general bank or a foreign bank with a branch in Indonesia and can be liquidated in Indonesia.
- (3) The Procurement Bond is unconditional and may be liquidated as many as the values of the Bond.

- (4) The Procurement Bond is liquidated not later than 14 (fourteen) work days after the default statement letter issued by the GCA received by the Bond issuer.

Article 33

- (1) The Bid Bond as referred to in Article 32 Para (1) is submitted by the Business Entity at the time of the bid submission whose amount is determined in the Procurement Document.
- (2) The amount of the Bid Bond is stated in the nominal value.
- (3) The amount of the Bid Bond as referred to in Para (1) is determined by considering the characteristics, complexity and the risks of the PPP Project.
- (4) The validity of the Bid Bond is as follows:
 - a. valid from the submission of the Bid Document until 1 (one) month after the issuance of the letter of award by the GCA for the One-Stage Tender.
 - b. valid since the submission of the Stage II Bidding Proposal until 1 (one) month after the issuance of the Letter of Award by the GCA for the Two-Stage Tender.
- (5) The Participant determined as the Winner has to extend the Bid Bond until the partnership contract signing.

Article 34

- (1) The Implementing Business Entity submitted the Performance Bond as referred to in Article 32 Para (1) point b as a requirement for the partnership contract signing.
- (2) The Performance Bond which is obligated to be requested is:
 - a. the Performance Bond for the financial close phase with an amount of 1%-5% of the Participants Bidding investment value;
 - b. the Performance Bond for the construction period with an amount of 1%-5% of the construction value.

- (3) the amount of the Performance Bond as referred to in section (2) point b may be reduced gradually according to the progress of the PPP Project as regulated in the Partnership contract.

Article 35

Further provisions on the Procedures of the Implementation of the Procurement of Implementing Business Entity are regulated in the Annex of this Head Regulation.

CHAPTER V

PROCUREMENT OF PREPARATION AGENCY

Part One

General

Article 36

If required, the PPP Project Preparation and Transaction by the GCA may be conducted together with the Preparation Agency.

Article 37

The procurement of preparation agency covers:

- a. preparation; and
- b. implementation.

Paragraph 1

Preparation for the procurement of preparation agency

Article 38

- (1) Preparation for the procurement of preparation agency covers the following activities:
 - a. preparation of the Terms of Reference (ToR) of the procurement of preparation agency by the PPP Team by adhering the preliminary study document;
 - b. preparation of the Procurement Document which consists of the Pre-qualification Document and the Request for Proposal (RfP) by the Procurement

- Committee; and
- c. approval of the Terms of Reference and the Procurement Document by the GCA.
- (2) The preparation of the procurement of preparation agency Document is conducted by the Procurement Committee based on the Terms of Reference (ToR) approved by the GCA.
 - (3) The Terms of Reference of the Preparation Agency as referred to in Para (2), at least covers:
 - a. PPP project background and description;
 - b. scope of work of the Preparation Activities and PPP Project Transaction;
 - c. outputs of the activities;
 - 1) Preparation and the Transaction; or
 - 2) Transaction.
 - d. schedule of the procurement implementation;
 - e. Owner's Estimate; and
 - f. payment scheme to the Preparation Agency of the PPP project.
 - (4) Pre-qualification Document of the Preparation Agency at least includes:
 - a. background and a brief explanation of the PPP Preparation;
 - b. objectives of the activities;
 - c. objects and the scopes;
 - d. important information related to the activities;
 - e. qualification requirements for the Participants; and
 - f. details of the qualification process including the schedule, criteria and procedures for the qualification assessment, the forms and the formats for the filling out of the qualification document.
 - (5) Request for Proposal (RfP) for the Preparation Agency at least covers the following:
 - a. instruction to the Participants at least includes;
 - 1) general information;
 - 2) information about the Request for Proposal (RfP);

- 3) preparation and the submission of the Bidding Proposal; and
 - 4) evaluation process
- b. provisions for the opening and evaluation of the Bidding Proposal;
 - c. prohibition on the Corruption, Collusion and Nepotism, Fraud and the conflict of interest;
 - d. Terms of Reference (ToR);
 - e. payment mechanism including the success fee;
 - f. draft Preparation Contract; and
 - g. other matters deemed necessary by the Procurement Committee to be included and required in the Request for Proposal (RfP).

Paragraph 2

Implementation of the Procurement of Preparation Agency

Article 39

- (1) The Implementation of the Procurement of Preparation Agency is conducted by the Procurement Committee.
- (2) The Implementation of the Procurement of Preparation Agency as referred to in Para (1) covers the following activities:
 - a. Pre-qualification; and
 - b. selection.

Paragraph 3

Preparation Agency Pre-qualification

Article 40

The requirements for the Pre-qualification of the Procurement of Preparation Agency Participants are:

- a. the Participants may be in the form of:
 - 1) a Business Entity; or
 - 2) a national or international agency/institution/organization
- b. the Participants as referred to in point (a) may be in the form of a consortium;

- c. to fulfill the provisions of laws and regulations for carrying out activities/running a business;
- d. to possess the experience and the capability in preparing and/or funding the PPP Project Preparation;
- e. to fulfill the tax obligation;
- f. not under the custodian, bankrupt or the business being dissolved;
- g. in the event that the GCA is a State-owned/Regional-owned Enterprise which has received an assignment, the Participants are not affiliated with the GCA;
- h. in the event that the Participant is a National and International Agency/Institution/ Organization, the activities of the International Agency/Institution/ Organization include the field of funding;
- i. in the event that the Participant is in the form of a foreign legal entity, the documents issued by other country which will be used in Indonesia is legalized by the public notary in the country where the documents are issued, and legalized by the Indonesian Embassy or Consulate, to prove the certified true copy of the original document;
- j. in the event that the Participant is an international business entity or international agency/institution/organization by prioritizing good Procurement Principles as well as fulfilling the tax obligation in accordance with laws and regulations applicable in the respective country.

Article 41

- (1) The Pre-qualification Stage at least covers the following activities:
 - a. Pre-Qualification announcement and the invitation by attaching the qualification document;
 - b. explanation of the PPP Project general description, the scope of work and the Pre-qualification Document;
 - c. submission of the qualification document;
 - d. evaluation of qualification;

- e. determination and the announcement of the qualification result; and
 - f. objection of the qualification.
- (2) The qualification assessment of the Pre-qualification stage as referred to in Para (1) at least covers:
- a. fulfillment of administrative requirements;
 - b. technical capability; and
 - c. financial capability.

Article 42

- (1) The Pre-qualification fails in terms of:
- a. there is no Participant submitting the qualification document; or
 - b. the Pre-qualification does not result in any qualified Business Entity;
 - c. the objection is declared true by the GCA with the following issue:
 - 1) allegation of Corruption, Collusion and Nepotism and/or a violation of fair competition principle in the implementation of the pre-qualification; or
 - 2) Pre-qualification Document is not in accordance with this Head Regulation.
- (2) In the event that the Pre-Qualification fails, the GCA reviews the causes of the failure.
- (3) Based on the result of the review as referred to in Para (2), the GCA conducts re-evaluation or repeat the Pre-Qualification.

Paragraph 4

Selection of Preparation Agency

Article 43

The selection of the Preparation Agency is conducted through the Selection.

Article 44

- (1) The implementation of the Selection of the Preparation Agency as referred to in Article 43 is at least conducted with the following provisions:
 - a. delivery of the Bidding Proposal which use the Two-Envelope method; and
 - b. evaluation of the Bidding Proposal which uses the Quality-based method or the Quality and Cost-based method.
- (2) The Selection for the Business Entity or the national or international agency/institution/organization using the Quality-based method is conducted at least through the following stages:
 - a. invitation to the Participants by attaching the Request for Proposal (RfP);
 - b. pre-bid meeting;
 - c. submission of the Bidding Proposal;
 - d. opening and the evaluation of the Envelope I Bidding Proposal;
 - e. determination of the technical ranks;
 - f. notification and the announcement of the technical ranks;
 - g. objection;
 - h. invitation to the opening of the Envelope II Bidding Proposals;
 - i. opening and evaluation of the Envelope II Bidding Proposals;
 - j. negotiation;
 - k. issuance of the Minutes of the Selection Result;
 - l. determination of the winner;
 - m. appointment of the Preparation Agency; and
 - n. signing of the Preparation Contract.
- (3) The Selection for the Business Entity or National or International agency/institution/organization using the Quality and Cost-based method is conducted at least through the following stages:
 - a. invitation to the Participants by attaching the Request for Proposal (RfP);

- b. pre-bid meeting;
- c. submission of the Bidding Proposals;
- d. opening and the evaluation of the Envelope I Bidding Proposals;
- e. determination of the technical ranks;
- f. notification and the announcement of the technical ranks;
- g. invitation to the opening of the Envelope II Bidding Proposals;
- h. opening and the evaluation of the Envelope II Bidding Proposals;
- i. announcement of the Bid Document evaluation result;
- j. negotiation;
- k. issuance of the Minutes of the Selection Result;
- l. determination of the winner;
- m. notification and the announcement of the winner;
- n. objection;
- o. appointment of the Preparation Agency; and
- p. signing of the Preparation Contract.

Article 45

- (1) The Selection is declared fail if:
 - a. there is no Participant who submits the Bidding Proposal;
 - b. the selection does not result in any winner;
 - c. the bid evaluation finds an evidence of unfair competition; or
 - d. the objection is declared true by the Procurement Committee with the following issues:
 - 1) allegation of Corruption, Collusion and Nepotism and/or a violation of a fair business competition principle in the implementation of the Selection is declared true by the authority; or
 - 2) Procurement Document is not in accordance with this Head Regulation.

- (2) In the event that the Selection is declared fail, the GCA reviews the causes of the failure and/or follow it up with:
 - a. assigning the Procurement Committee to conduct a repeat of the Selection; or
 - b. terminating the Selection process.

Article 46

Further procedures on the implementation of the Procurement of Preparation Agency are regulated in the Annex of this Head Regulation.

CHAPTER VI ELECTRONIC PROCUREMENT

Article 47

- (1) The Procurement of Implementing Business Entity and the Procurement of Preparation Agency may be conducted electronically.
- (2) The NPPA develops the systems of the Procurement of Implementing Business Entity and the Procurement of Preparation Agency as well as determines the architecture of the information system which supports the implementation of the electronic procurement.

CHAPTER VII TRANSITIONAL PROVISIONS

Article 48

- (1) A Procurement which is ongoing and has already entered the selection activities before the entry into force of this Head Regulation, remains to be continued in accordance with the procedures determined by the prevailing Regulation.
- (2) A Procurement which is ongoing and the Announcement of the Pre-Qualification Result has not been made, the process remains to be continued until the completion of the Pre-qualification process in accordance with the

procedures determined by the prevailing Regulation. The process of its selection hereinafter is in accordance with the procedures determined by this Head Regulation.

- (3) A Contract within the framework of PPP which has been signed before the entry into force of this Head Regulation, remains in force until the end of the Contract.

CHAPTER VIII CLOSING PROVISIONS

Article 49

This Regulation of the Head of the National Public Procurement Agency comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Regulation of the Head of the National Public Procurement Agency by its placement in the State Bulletin of the Republic of Indonesia.

Issued in Jakarta
on 21 August 2015

HEAD OF THE NATIONAL PUBLIC
PROCUREMENT AGENCY,

Signed

AGUS PRABOWO

Promulgated in Jakarta
on 26 August 2015

MINISTER OF LAW AND HUMAN RIGHTS
THE REPUBLIC OF INDONESIA,

Signed

YASONNA H. LAOLY

STATE BULLETIN OF THE REPUBLIC OF INDONESIA OF 2015 NUMBER 1281

Jakarta, 9 March 2017

Has been translated as an Official Translation
on behalf of Minister of Law and Human Rights
of the Republic of Indonesia

DIRECTOR GENERAL OF LEGISLATION,



WIDODO EKATJAHJANA

ANNEX
REGULATION OF THE HEAD OF THE
NATIONAL PUBLIC PROCUREMENT AGENCY
OF THE REPUBLIC OF INDONESIA
NUMBER 19 OF 2015
ON PROCEDURES OF PROCUREMENT OF
PUBLIC PRIVATE PARTNERSHIP IN PROVIDING
INFRASTRUCTURE

**PROCEDURES OF PROCUREMENT OF PUBLIC PRIVATE PARTNERSHIP IN
PROVIDING INFRASTRUCTURE**

**CHAPTER I
INTRODUCTION**

A. Background

In carrying out the implementation of the Procurement of Business Entity and the Public Private Partnership (PPP) which complies with good governance principles so that enable to accelerate provision of infrastructure through Public Private Partnership, it is necessary to provide more detailed provisions concerning procedures for the implementation of the Procurement of PPP Implementing Business Entity in the form of an Implementation Guideline.

B. Purpose and Objective

1. The purpose of the issuance of this Regulation of the Head of National Public Procurement Agency is to provide a reference for all stakeholders in the implementation of the Procurement of the Implementing Business Entity in the Public Private Partnership in providing infrastructure.
2. The objective of the issuance of this Regulation of the Head of National Public Procurement Agency is to carry out the good governance of the Procurement of Implementing Business Entity in the Public Private Partnership in providing Infrastructure and in accordance with the principles of the efficiency, effectiveness, transparency, openness, competitiveness, fairness/non-discrimination and accountability.

C. Scope

This Implementation Guideline consists of the procedures for conducting as follows:

1. The Implementation of the Procurement of the Implementing Business Entity; and
2. The Implementation of the Procurement of Preparation Agency.

CHAPTER II
IMPLEMENTATION OF THE PROCUREMENT OF IMPLEMENTING BUSINESS
ENTITY

A. Pre-qualification

The Pre-qualification covers the following activities:

1. The Pre-qualification Announcement;
 - a. The Procurement Committee announces the Pre-qualification through invitations to the prospective participants who are potential, the national print media at least once, and the GCA's official website until the deadline for the Pre-qualification Document collection. The announcement period is at least 7 (seven) work days. For the projects that attract foreign participants, the announcement is posted in the print media with an international circulation and websites that provide information for the infrastructure projects in the international level.
 - b. The announcement at least consists of:
 - 1) the name and address of the GCA conducting the Procurement of implementing Business Entity.
 - 2) a brief description of implementing the partnership project carried out which covers:
 - a) the legal basis of the partnership;
 - b) the purpose, and objective of the partnership;
 - c) the object and scope of the partnership; and
 - d) the form of the partnership.
 - 3) the estimate of the investment value.
 - 4) the requirements for the prospective Pre-qualification participants.
 - 5) the place, date and time for collecting the Pre-qualification Document.
2. The registration and collection of the Pre-qualification Document;
 - a. Prospective Participants register and collect the Pre-qualification Document according to the day, date, time, and place of collection determined in the announcement.
 - b. Registration and collection of the Pre-qualification Document

start from the date of the announcement until the deadline for the qualification Document submission.

- c. Collection of the Pre-qualification Document is conducted by the prospective Pre-qualification Participants authorized to collect the document.
 - d. A person is prohibited to represent more than 1 (one) prospective qualification Participant in the registration and collection of the Pre-qualification Document.
 - e. Procurement Committee shall provide sufficient time for the prospective Participants to prepare the qualification Document.
 - f. Qualification Document registration and collection may be conducted electronically.
3. The Pre-Bid Meeting, the scope of work of the PPP Project implementation activities and the Pre-qualification Document;
- a. Pre-Bid Meeting is conducted openly, transparently and non-discriminatively.
 - b. Procurement Committee conducted the Pre-Bid Meeting at a set place and time attended by the Participants.
 - c. Pre-Bid Meeting is conducted through:
 - 1) A direct explanation at the pre-bid meeting attended by the Participants; and
 - 2) Procurement Committee providing the chance for all Participants to submit written questions.
 - d. The explanation delivery as referred to in point c point 1) is carried out with the following terms:
 - 1) Participants may submit questions and/or give comments on Pre-qualification Document and/or the PPP Project. In the event that the Pre-qualification Participants form a consortium, the lead consortium or the party authorized by the lead consortium will be the representative;
 - 2) The absence of the Participants at the pre-bid meeting cannot be used as the basis for eliminating/refusing their bids;
 - 3) Explanation delivery is recorded in the Minutes of Pre-bid Meeting signed by the members of the Procurement Committee and the prospective Pre-qualification Participants or the representative of the prospective Pre-

- qualification Participants and sent to all prospective Pre-qualification Participants as determined in the Pre-qualification Document;
- 4) If no prospective Participant attends or is willing to sign the Minutes of Pre-bid Meeting, the Minutes of Pre-bid Meeting only needs to be signed by the attending members of the Procurement Committee.
- e. The explanation delivery as referred to in point c point 2) is conducted with the following terms:
 - 1) The Participants may submit the written questions since the collection of the Pre-qualification Document until the deadline for inquiry submission as determined in the Pre-qualification Document; and
 - 2) The Procurement Committee promptly responds to the questions and delivers the responses to all Participants.
 - f. If new matters/terms or other important changes need to be included in the Pre-qualification Document, before the deadline for the qualification document submission the Procurement Committee is obligated to include these new matters/terms or other important changes to the revision of the Pre-qualification Document and notify all Participants in writing by attaching the revision of the Pre-qualification Document to all participants.
 - g. The revision as referred to in point f shall obtain an approval from the GCA. The GCA will give its approval not later than 5 (five) work days after the revision are proposed by the Procurement Committee.
 - h. If the GCA does not respond as referred to in point g, the GCA is deemed to disapprove the proposed revision of the document.
 - i. If these new terms or other important changes are not included in the revisions of the Pre-qualification Document, these new matters/provisions or other important revisions will be considered non-existent and the prevailing provisions in the original Pre-qualification Document will apply.
 - j. Every revision of the Pre-qualification Document is an integral part of the Pre-qualification Document and is delivered to all Participants.

- k. In the event that any revision of the Pre-qualification Document, the Procurement Committee may extend the deadline for the Qualification Document submission.
4. The Qualification Document Submission is conducted with the following terms:
- a. Participants submit the qualification document to the Procurement Committee according to the schedule determined in the qualification document.
 - b. Procurement Committee makes a receipt for the qualification document and prepares a list of the Participants who submit their bids.
 - c. Submission, addition, replacement, reduction, withdrawal (resignation) of the qualification document submitted to the Procurement Committee may only be conducted before the deadline for the qualification document submission.
 - d. Qualification document covers the fulfillment of these following requirements:
 - 1) Administrative document which consists of:
 - a) Integrity Pact;
 - b) Qualification forms, covering:
 - (1) Business permits;
 - (2) Deed of Establishment and the Article of Incorporation, including the changes;
 - (3) Authority to sign the qualification document;
 - (4) In the event that the Participants form:
 - (a) Business Entities shall attach the organizational structure of the Board of Directors, the Board of Commissioners and the stakeholders; or
 - (b) Cooperative shall attach the organizational structure of the administrators, the Board of Supervisors and the members of the cooperative.
 - (5) A letter stating that the Business Entity is not under the custodian, being insolvent, being dissolved and/or undergoing a legal proceeding;

- (6) An experience in similar Infrastructure Provision Partnership Project;
 - (7) Information on an ongoing and/or resolved material disputes;
 - (8) In the event that the Participants form a consortium, the aforementioned requirements cover each member of the consortium and the consortium is obligated to submit the draft consortium agreement taking into account the tasks and the responsibilities of the lead consortium.
- 2) Technical Capability:
- a) Documents that demonstrate the experience in investment which covers the financing, the construction and the management of similar projects; and
 - b) If a new Participant is established less than a year, it needs to submit a sponsorship letter from the stakeholders (a sponsorship agreement) and attaches the requirements as determined in the Pre-qualification requirements.
- 3) Financial Capability:
- A Participant shall demonstrate a financial capability to invest and have the experience to finance and/or secure the source of finance for the PPP Project, with the following terms:
- a) Fulfills the financial capability criteria as determined in the Procurement Document;
 - b) Submits the financial report audited by a certified public accountant for the last 3 (three) years, prepared based on the standard and general accounting principles;
 - c) Has a bank reference letter stating that the Participant has a good financial performance and has the capability of obtaining the fund required for the implementation of the project; and
 - d) If a Participant is established in less than a year and/or it cannot fulfill the required financial capability,

a Participant submits a sponsorship letter from a shareholders (a sponsorship agreement) and attaches the requirements as determined in the Pre-qualification requirements.

5. Qualification Evaluation

- a. Qualification evaluation is conducted by using the Pass and Fail System on the fulfillment of the Pre-qualification Document requirements.
- b. In conducting the evaluation, the Procurement Committee only eliminates on substantial matters.
- c. Procurement Committee cannot eliminate the Participants who do not fulfill the non-substantial administrative requirements and such requirements may be completed at a time set in the Procurement Document.
- d. Qualification document evaluation covers the assessment of the administration, the technical capability and the financial capability.
- e. Implementation of the qualification evaluation covers:
 - 1) examination of the data completeness and the evaluation of the qualification requirement fulfillment; and
 - 2) confirmation and the clarification of the authenticity of the qualification data.
- f. In the event that the Business Entity provides false data or information, the Participant is disqualified, the Business Entity and/or manager or any party involved in is reported to the authority.
- g. The implementation of the qualification document evaluation is recorded in the Minutes of the Qualification Document Evaluation signed by the Procurement Committee.
- h. In the event that the Pre-qualification process fails to result any Business Entities passing the Pre-Qualification, the procurement process is declared fail.

6. The announcement of the Qualification result;

- a. Procurement Committee determines a list of Participants who pass qualification based on the qualification evaluation result.
- b. Procurement Committee announces the list of Participants who pass a qualification.

- c. Procurement Committee delivers the results of the Pre-qualification to every Participant through electronic mails and announces the list of Participants passing Pre-qualification according to the set schedule through the following media:
 - a) GCA's official website; and/or
 - b) Print media.

- 7. The qualification objection;
 - a. Qualification Participants who submit the qualification document may address their objections on the qualification result accompanied by sufficient initial evidence of the violation/breach of the Pre-qualification Document procedures.
 - b. Objection submission period is determined by the Procurement Committee in the qualification document not later than 5 (five) work days after the announcement of the qualification result.
 - c. Qualification Participants who submit the qualification document may collectively address their objections along with other Qualification Participants.
 - d. Submitted objections will not terminate the Qualification process.
 - e. GCA will respond to all objections not later than 5 (five) work days after the objections are received.
 - f. In the event that the GCA does not respond to the objections as referred to in point e, the GCA is considered to have rejected the objections
 - g. In the event that the objections are declared true, the GCA may declare the re-evaluation or the Pre-qualification fail.

B. Tender

- 1. One-Stage Tender covers the following activities:
 - a. The invitations to Participants passing the Pre-qualification and the delivery of the Request for Proposal (RfP);
 - 1) Procurement Committee invites all participants passing the qualification and attaches the Request for Proposal (RfP) and the Confidentiality Letter form to the Participants;
 - 2) Contents of the draft Request for Proposal (RfP) at least covers:
 - a) General information/description of the PPP Project;

- b) Instructions to the Participants:
 - (1) General instructions among others, but not limited to:
 - (a) Consortium terms;
 - (b) Due diligence;
 - (c) Procurement schedule;
 - (d) Data Room provision; and
 - (e) Contract signing.
 - (2) The preparation of the Bidding Proposal:
 - (a) Language used;
 - (b) Structure and the content of the Bidding Proposal;
 - (c) Bid validity;
 - (d) Bid letter format; and
 - (e) Letter of interest.
 - (3) Submission of the Bidding Proposal:
 - (a) Time of deadline for the bid submission; and
 - (b) Actions taken to the bid with late submission.
 - (4) Matters that are related to the confidentiality;
 - (5) Conflict of Interest, the Corruption, Collusion and Nepotism practice;
 - (6) Communication method with the Procurement Committee;
 - (7) Signing of the fair business competition requirement;
 - (8) Responsibilities of the Participants; and
 - (9) Corporate arrangement commitment.
- c) Terms of the opening and the evaluation of the Bidding Proposal.

Procurement Committee determines the procedures for the opening and evaluation of the Bidding Proposal supported with clear and measurable assessment criteria.
- d) Prohibition for Corruption, Collusion and Nepotism, Fraud as well as the Conflict of Interest;
- e) Required service specification covers the following, but not limited to:

- (1) Specification of the performance standard or service quality accompanied by the description of the technical parameters;
 - (2) Condition and the value of assets at the end of the period of the project when the assets revert to the GCA to fulfill the requirements of replacement and maintenance cycles by the Business Entity which have financial consequences to the Participants.
 - (3) Minimum level of input specification to fulfill the performance of the project's specific needs.
- f) Risk allocation Matrix;
 - g) Payment mechanisms for:
 - (1) PPP service and the PPP Project funding; and
 - (2) Provisions for incentive and penalty.
 - h) Financial model includes funding sources;
 - i) Fulfillment of the requirements associated with legal, social, environmental aspects;
 - j) Procurement Bond and the requirements for the Procurement Bond;
 - k) Other matters deemed necessary by the Procurement Committee to be included and required in the Request for Proposal (RfP); and
 - l) Attachments that consist of:
 - (1) Memorandum of Information;
 - (2) PPP Contract Draft;
 - (3) Main terms of the guarantee agreement (if the guarantee from the government is required); and
 - (4) Other required documents.
- 3) Delivery of the invitations with the attachment may be conducted through electronic mails.
- b. Delivery of the Confidentiality Letter.

Participants submit the Confidentiality Letter immediately after receiving the Request for Proposal (RfP) for obtaining access to the Data Room.
 - c. Pre-bid meeting:
 - 1) Explanation is conducted openly, transparently and non-discriminatively.

- 2) Procurement Committee delivers the Request for Proposal (RfP) explanation at a set place and time.
- 3) Explanation process includes providing opportunities for the participants to deliver their suggestions.
- 4) Pre-bid meeting is conducted by:
 - a) A direct explanation at the pre-bid meeting attended by the Participants;
 - b) Procurement Committee provides the chance for all Participants to submit written questions; and
 - c) If deemed necessary, a site visit is conducted during the pre-bid meeting.
- 5) The pre-bid meeting as referred to in point 4) point a is carried out with the following terms:
 - a) Participants may submit questions and/or responses to the Request for Proposal (RfP) and/or the PPP Project. In the event that the Participants form a consortium, the Lead Consortium or the party authorized by the Lead Consortium will be the representative;
 - b) Absence of the Participants during delivering the explanation of the Request for Proposal (RfP) cannot be used as the basis for eliminating/refusing the bids;
 - c) Explanation delivery is recorded in the Minutes of Pre-bid Meeting signed by the members of the Procurement Committee and the prospective Participants or the representative of Participants attending and sent to all Participants as determined in the Request for Proposal (RfP); and
 - d) In the event that no Participant attends or are willing to sign the Minutes of Pre-bid Meeting, the Minutes of Pre-bid Meeting will only be signed by the attending members of the Procurement Committee.
- 6) Pre-bid meeting of the Request for Proposal (RfP) as referred to in point 4) point b) is conducted with the following terms:
 - a) Participants may submit the written questions since the collection of the Request for Proposal (RfP) until the time of deadline for questions submission as determined in the Request for Proposal (RfP);
 - b) Procurement Committee will respond the questions

promptly and deliver the responses to all Participants;
and

- c) All submitted questions and responses as referred to in point a) and point b) are recorded in the List of questions and Responses for the Explanation Requests in writing which then becomes the attachment of the Minutes of Pre-bid Meeting.
- 7) In the event of delivering the explanation by the site visit, the explanation delivery is included in the Minutes of Pre-bid Meeting on the site visit.
- 8) Procurement Committee delivers a general explanation at least concerning:
 - a) Stages of the selection;
 - b) Content of the Request for Proposal;
 - c) Requirement in the stages of the selection;
 - d) Draft Partnership Agreement; and
 - e) Document associated with the PPP Project.
- d. Revisions to the Request for Proposal (RfP) If required;
 - 1) If Based on the Minutes of Pre-bid Meeting containing new terms/important revisions needed to be included in the Request for Proposal (RfP) before the time of deadline for the Bidding Proposal submission, the Procurement Committee is obligated to include these new terms or important changes to the revision of the Request for Proposal (RfP);
 - 2) The revisions as referred to in point 1) shall obtain an approval from the GCA. The GCA will give its approval not later than 5 (five) work days after the revisions are proposed by the Procurement Committee;
 - 3) If the GCA does not respond as referred to in point 2), the GCA is considered to have disapproved the proposed revisions of the Request for Proposal (RfP);
 - 4) In the event that there are revisions to the Request for Proposal (RfP), the Procurement Committee informs in writing by attaching the Revisions to the Request for Proposal (RfP) to all Participants. If these new terms or other important revisions are not included in the Request for Proposal, these new terms or other important revisions are

considered non-existent and the prevailing provisions in the previous Request for Proposal (RfP) will apply;

- 5) Each revision to the Request for Proposal (RfP) is an integral part of the Request for Proposal, and will be delivered to all Participants;
 - 6) If there are revisions in the Request for Proposal, the Procurement Committee may provide an extension of the deadline for the submission of the Bidding Proposal.
- e. Submission of the Bidding Proposal:
- 1) Participants submit the Bidding Proposal to the Procurement Committee according to the schedule determined in the Request for Proposal (RfP);
 - 2) Bidding Proposal is submitted in 2 (two) envelopes. The Envelope I consists of the Administrative and Technical Bidding Proposals and Envelope II consists of the financial Bidding Proposal.
 - 3) Procurement Committee rejects the Bidding Proposal that is submitted after the time of deadline for the Bidding Proposal submission.
 - 4) Participants submit the Bidding Proposal in accordance with the requirements in the Request for Proposal (RfP) which consist of:
 - a) Administrative Bidding Proposal
Participants submit the administrative Bidding Proposal as required which at least covers:
 - (1) Bid letter;
 - (2) Power of attorney;
 - (3) Consortium agreement;
 - (4) Statement letters needed;
 - (5) Bid bond which fulfills the following requirements:
 - (a) The name of the Participant is the same as the name written on the bid bond. In the event the participant forms a consortium, the bid bond includes the name of the consortium according to the name written in the consortium agreement;
 - (b) PPP Project guaranteed is the same as the tendered partnership project;

- (c) In the event that the Participants are declared in default by the Procurement Committee, the bid bond cannot be withdrawn by the Participants;
- (d) Procurement Committee shall be able to liquidate the bid bond without conditions according to the value of the Bond in the period of time not later than 14 (fourteen) work days after the statement of default from the Procurement Committee is received by the Issuer of the bond;
- (e) Bid bond is valid until 1 (one) month after the issuance of the Letter of Award;
- (f) Participant announced as the winner is obligated to extend the validity of the bid bond until the PPP Contract is signed, not later than 5 (five) work days after the objection process is completed;
- (g) Bid bond will be liquidated and deposited to the State/Regional Treasury if:
 - i. Winner withdraws from the Procurement Process;
 - ii. Participants withdraw their bids Documents during the validity of the bid;
 - iii. Participants forge the Bidding Proposals; or
 - iv. PPP Implementing Business Entity does not sign the PPP Agreement within 40 (sixty) days after the establishment of the Implementing Business Entity.
- (h) In the event that there is a change of schedule which causes the extension of the Bid Letter and bid bond validities, the Procurement Committee will request in writing to the Participant to extend the validity of the Bid Letter and the Bid Bond. If any Participant objects or does not extend the validity of the Bid Letter and the Bid Bond,

the Participant is disqualified and the Bid Bond is returned to the Participant.

- b) Technical Bidding Proposal at least consists of:
 - (1) Technical data which consist of:
 - (a) Technical information;
 - (b) Technical drawings;
 - (c) Performance data including the performance test procedures;
 - (d) Data related to the project and the environment;
 - (e) Operational and maintenance data;
 - (f) Project summary data; and
 - (g) Asset transfer plans.
 - (2) Supporting data;
 - (3) Project implementation schedule plan; and
 - (4) PPP project organizational plan and implementation management.
- f. Opening of the Envelope I Bidding Proposal;
 - 1) Opening of the Envelope I Bidding Proposal is conducted by the Procurement Committee before the Participants at a set time and place;
 - 2) Procurement Committee requests the representatives of the attending Participants as witnesses. If no witness or only 1 (one) from the Participants attends, the opening of the Envelope I Bidding Proposal is postponed by the Procurement Committee for 1 (one) hour;
 - 3) After the postponement for 1 (one) hour, if there is no Participant attends or only 1 (one) participant as witness, the opening of the Envelope I Bidding Proposal remains to be carried out by being witnessed by 2 (two) witnesses beside the Procurement Committee, appointed in writing by the Procurement Committee;
 - 4) Opening of the Envelope I Bidding Proposal is recorded in the Minutes of the Envelope I Bidding Proposal and signed by all members of the Procurement Committee and the witnesses from the Participants appointed by the Procurement Committee;

- 5) Copies of the Minutes of the Bidding Proposal Opening are distributed to all Participants.
- g. Evaluation of the Envelope I Bidding Proposal;
- 1) Procurement Committee conducts an evaluation of the Envelope I Bidding Proposal based on the terms and procedures determined in the Request for Proposal (RfP).
 - 2) Procurement Committee will evaluate the Envelope I Bidding Proposal from the responsive Participants.
 - 3) Responsive bid is the bid which fulfills the requirement, the terms and the specification determined in the Request for Proposal (RfP) without any significant differences in the substances. Significant differences in the substances are differences which will affect changes in the scope of work, quality and the performance of the project.
 - 4) In evaluating, the Procurement Committee is not allowed to change, add and/or reduce the criteria and the procedure of the evaluation until the time of deadline for the Bidding Proposal submission.
 - 5) Evaluation of the Envelope I Bidding Proposal consists of:
 - a) Administrative Evaluation.
 - (1) Administrative evaluation is conducted by using Pass and Fail System on the fulfillment of the administrative requirements.
 - (2) Procurement Committee only eliminates on substantial matters.
 - b) Technical Evaluation:
 - (1) Technical evaluation is conducted to Participants who fulfill the Administrative requirements.
 - (2) Technical evaluation is conducted by considering the compliance of the technical bid by referring to the requirements determined in the Request for Proposal (RfP). The Procurement Committee will award certain scores to every fulfillment of the technical requirement elements with the weighting determined in the Request for Proposal (RfP). Each element of the technical requirements is weighted with a total weight of the whole element 100% (a hundred percent).

- 5) Opening of the Envelope II Bidding Proposal is recorded in the Minutes of the Opening of the Envelope II Bidding Proposal and signed by all members of the Procurement Committee and the witnesses.
 - 6) Copies of the Minutes of the Opening of the Envelope II Bidding Proposal are distributed to all Participants passing the Envelope I Bidding Proposal.
- j. Envelope II Bidding Proposal Evaluation;
- 1) Procurement Committee evaluates the Envelope II Bidding Proposal in accordance with the terms and procedures determined in the Request for Proposal.
 - 2) Financial Bidding Proposal consists of:
 - a) Financial bid letter accompanied by the financial model in the form of hardcopy and spreadsheets as well as the explanation for the use of the model. The bid letter includes the validity of the financial bid, and is signed by the party authorized to represent the Business Entity/consortium;
 - b) Financial data and model cover among others:
 - (1) Project funding plan;
 - (2) Initial capitalization plan;
 - (3) Investment plan;
 - (4) Operation and the maintenance costs;
 - (5) Cash flow report;
 - (6) Balance sheet;
 - (7) Income Statement;
 - (8) Return on investment/discounted cash flow analysis which shows the project's investment rate of return;
 - (9) Financial ratio including the debt service coverage ratio (DSCR) and profitability ratio; and
 - (10) Calculation of tariffs accompanied by the assumption used in the preparation of the financial model and the financial report.
 - c) Claw back given to the Government (if any).

- 3) In evaluating, the Procurement Committee conducts an evaluation in accordance with the terms and procedures determined in the Request for Proposal.
- 4) In the event that the evaluation uses the best financial system, the Participants who pass the technical threshold and offer the lowest price/tariff/ Government Support (availability payment)/viability support become the winner.
- 5) In the event that evaluation using the Merit Point System, the evaluation is conducted with the following ways:
 - a) Procurement Committee awards certain scores to every fulfillment of the financial bid assessment according to the weighting determined in the Request for Proposal (RfP).
 - b) Each element of the criteria is weighted with a total weight of the whole element 100% (one hundred percent).
 - c) In the event that the PPP project gains the viability support, the determination of financial weight shall be higher than the technical weight.
 - d) Ranks are determined based on the sum of the combination of the technical and financial scores.
- 6) In evaluating, the Procurement Committee conducts arithmetical corrections for miscalculations, additions and so on. The result of the correction is recorded in the Minutes of the Clarification and the Arithmetical Correction.
- 7) Participant's Bid will be adjusted according to those corrections.
- 8) In evaluating, the Procurement Committee may request the Participants to elaborate on the Financial Bidding Proposal.
- 9) The Procurement Committee prepares the Minutes of the Bidding Proposal Evaluation Result which is the result of the administrative evaluation, the technical document evaluation and financial document evaluation.
- 10) Minutes of the Envelope II Bidding Proposal Evaluation Result are signed by a minimum of two third of the total Procurement Committee members.

- 11) If no Bidding Proposal qualifies, the GCA declares the Tender Process fail.
- k. Issuance of the Minutes of the Tender Result:
- 1) Procurement Committee prepares the Minutes of the Tender Result.
 - 2) Minutes of the Tender Result are a summary of the administrative, technical and the financial evaluation result made by the Procurement Committee and signed by at least two third of the Procurement Committee members.
 - 3) Minutes of the Tender Result are confidential until the announcement of the winner.
 - 4) Minutes of the Tender Result have to include as follows:
 - a) Name of all Participants;
 - b) Estimation of the bid investment value from each Participant;
 - c) Evaluation method used;
 - d) Elements evaluated;
 - e) Other notes deemed necessary for the Tender process;
 - f) A number of the Participants who pass and fail in each evaluation;
 - g) Date of the minutes; and
 - h) Participants' ranks.
- l. Determination of the winner
- 1) Based on the Minutes of the Tender Result, the Procurement Committee prepares and delivers a report to the GCA for the determination of the winner.
 - 2) Report as referred to in point 1), is accompanied by the proposal of the prospective winner, first and second runner-ups (if any).
 - 3) GCA determines the Tender winner, first and second runner-ups (if any) based on the proposal of the Procurement Committee not later than 10 (ten) work days.
 - 4) In the event that the GCA does not approve the Procurement Committee's proposal, the GCA discusses this matter with the Procurement Committee to make a decision, and this matter is recorded in the Minutes signed by the GCA and the Procurement Committee.
 - 5) Minutes as referred to in point 4) contain objections and

consensus during the discussion.

- 6) Decision as referred to in point 4) is in the form of an approval of the Procurement Committee's proposal or the implementation of a re-evaluation.
- m. Announcement of the Tender result;
- 1) Based on the determination of the winner by the GCA, the Procurement Committee announces the Tender result to every Participant through electronic mails and posts it on the GCA's official website and/or print media according to the set schedule;
 - 2) Procurement Committee announces the Tender winner after the Minutes of the Tender Result has been published;
 - 3) Content of the Tender result announcement at least covers:
 - a) Name of the partnership project;
 - b) Name of the GCA;
 - c) Name and address of the winner;
 - d) Period of time for the partnership; and
 - e) Investment value proposed by the winner.
- n. Objection
- 1) Participants who submit the Bidding Proposal may address their objections in writing on the result of the Selection accompanied by the sufficient preliminary evidence of breach/violation.
 - 2) Period of time for the submission of the objection is determined by the Procurement Committee in the selection document within 5 (five) work days after the announcement of the Winner.
 - 3) Participants who submit the Bidding Proposals may collectively address their objections with other Participants.
 - 4) Participants who submit the Bidding Proposal may only address their objections as follows:
 - a) Violation(s) on terms and procedures regulated in this Head Regulation and determined in the Request for Proposal (RfP);
 - b) Certain dishonest practices that prevent fair business competition; and/or
 - c) An abuse of authority by the Procurement Committee

and/or other authorized officials in the selection process.

- 5) GCA responds in writing to all objections not later than 10 (ten) work days after the objection is received.
 - 6) If the GCA does not respond as referred to in point 5), the GCA is considered to have rejected the objection.
 - 7) Objections do not terminate the ongoing process of selection.
 - 8) If the objection is declared true by the GCA, the GCA declares a re-evaluation or declares the Tender fail.
- o. Issuance of the Letter of Award:
- 1) GCA issues the Letter of Award with the following terms:
 - a) No objection from Tender Participants;
 - b) Any objection proven untrue;
 - c) The objection period ended; and
 - d) The winner has extended the validity of the bid bond until the signing of the partnership Contract.
 - 2) GCA issues the Letter of Award not later than 7 (seven) work days after the objection process ends;
 - 3) Winner who withdraws after the issuance of the Letter of Award with reasons that cannot be accepted by the GCA, the Bid Bond is liquidated and deposited into the State/Regional Treasury and such winner is imposed a sanction by putting its name in the Black List;
 - 4) If the winner withdraws from the Tender after the issuance of the Letter of Award with reasons accepted by the GCA, the Bid Bond is liquidated and deposited into the State/Regional Treasury.
 - 5) If the winner withdraws, the GCA may issue the Letter of Award to the first runner-up provided that:
 - a) First runner-up is determined as the winner; and
 - b) Bid letter and the bid bond are still valid or the validities have been extended until the signing of the partnership Contract.
 - 6) If the first runner-up withdraws, the GCA may issue the letter of award to the second runner-up provided that:
 - a) Second runner-up is determined as the winner; and
 - b) Bid letter and the bid bond are still valid or the

validities have been extended until the signing of the partnership Contract.

7) If all winners withdraw, the GCA declares the Tender fail.

p. Preparation of the PPP Contract signing;

1) Based on the Letter of Award issued, the GCA conducts a preparation for the signing of the PPP Contract by:

a) Issuing the letter of appointment as the Winning Business Entity not later than 10 (ten) work days after the Letter of Award is issued; and

b) Finalizing the Draft PPP Contract. In the finalization process, the GCA is not allowed to change the competed substantial matters.

2) In the PPP Contract signing preparation process, the GCA may be assisted by the PPP Team and the Procurement Committee.

2. Two-Stage Tender consists of the following activities:

a. Invitations to Participants passing the Pre-qualification attached to the Request for Proposal (RfP);

1) Procurement Committee invites all participants and attaches the Request for Proposal (RfP) and the Confidentiality Letter from to the Participants;

2) Contents of the draft Request for Proposal (RfP) at least covers:

a) General information of the PPP Project;

b) Instructions to the Participants include:

(1) General instructions among which, but not limited to:

(a) Consortium terms;

(b) Due diligence;

(c) Procurement schedule;

(d) Data Room provision; and

(e) Contract signing.

(2) Preparation of the Bidding Proposal:

(a) Language used;

(b) Structure and the content of the Bidding Proposal;

- (c) Bid validity;
 - (d) Bid letter format; and
 - (e) Letter of interest.
- (3) Submission of the Bidding Proposal:
- (a) Time of deadline for the bid submission; and
 - (b) Actions taken to the late bid submission.
- (4) Matters that are related to the confidentiality;
- (5) Conflict of Interest, the Corruption, Collusion and Nepotism practice;
- (6) Communication method with the Procurement Committee;
- (7) Signing of the fair business competition requirement;
- (8) Responsibilities of the Participants; and
- (9) Corporate arrangement commitment.
- c) Terms of the opening and the evaluation of the Bidding Proposal.
- Procurement Committee determines the procedures for the opening and evaluation of the Bidding Proposal supported with clear and measurable assessment criteria;
- d) Prohibition for Corruption, Collusion and Nepotism, Fraud as well as the Conflict of Interest;
- e) Required service specification covers the following, but not limited to:
- (1) Specification of the performance standard or service quality accompanied by the description of the technical parameters.
 - (2) Condition and the value of assets at the end of the period of the project when the assets revert to the GCA to fulfill the requirements of replacement and maintenance cycles by the Business Entity which have financial consequences to the Participants.
 - (3) Minimum level of input specification to fulfill the performance of the project's specific needs.
- f) Risk allocation Matrix;
- g) Payment mechanisms for:

- (1) PPP service and the PPP Project funding; and
 - (2) Provisions for incentive and penalty.
 - h) Financial and funding model;
 - i) Fulfillment of the requirements associated with legal, social, environmental aspects;
 - j) Procurement bond and the requirements for the Procurement bond;
 - k) Other matters deemed necessary by the Procurement Committee to be included and required in the Request for Proposal; and
 - l) Attachments which consist of:
 - (1) Memorandum of Information;
 - (2) Draft PPP Contract;
 - (3) Main provisions of guarantee agreement (if the government guarantee is required); and
 - (4) Other required documents.
 - 3) Delivery of the invitations and Request for Proposal (RfP) may be conducted through electronic mails.
- b. Delivery of the Confidentiality Letter
- Participants submit the Confidentiality Letter immediately after receiving the Request for Proposal (RfP) for gaining access to the data room.
- c. Pre-Bid Meeting:
- 1) Explanation is conducted openly, transparently and non-discriminatively.
 - 2) Procurement Committee delivers the explanation of the Request for Proposal (RfP) at a set place and time attended by the Participants.
 - 3) Explanation process includes providing chances to the participants to deliver their suggestions.
 - 4) Pre-bid Meeting is conducted by:
 - a) A direct explanation at the pre-bid meeting attended by the Participants;
 - b) Procurement Committee provides the chance for all Participants to submit written questions; and
 - c) If deemed necessary, a site visit is conducted during the pre-bid meeting.

- 5) Pre-Bid Meeting of the Request for Proposal (RfP) as referred to in point 4) point a) is carried out with the following terms:
 - a) Participants may make questions and/or responses to the Request for Proposal (RfP) and/or the PPP Project. In the event that the Participants form a consortium, the Lead Consortium or the party authorized by the Lead Consortium will be the representative.
 - b) Absence of the Participants at Pre-Bid Meeting of the Request for Proposal (RfP) session cannot be used as the basis for eliminating/refusing of their Bids.
 - c) Pre-Bid Meeting is recorded in the Minutes of Pre-bid Meeting signed by the members of the Procurement Committee and the attending Participants or the representative of the Participants and sent to all Participants as determined in the Request for Proposal.
 - d) In the event that no Participant attends or are willing to sign the Minutes of Pre-bid Meeting, the Minutes of Pre-bid Meeting will only be signed by the members of the Procurement Committee attending.
- 6) Pre-Bid Meeting of the Request for Proposal (RfP) as referred to in point 4) point b) is conducted with the following terms:
 - a) Participants submit the written inquiry since the collection of the Request for Proposal (RfP) until the deadline of the inquiry submission as determined in the Request for Proposal;
 - b) Procurement Committee will respond the inquiry promptly and inform the responses to all Participants.
 - c) All the submitted questions and responses as referred to in point a) and point b) are recorded in the List of Questions and Responses which will then become the attachment of the Minutes of Pre-bid Meeting.
- 7) In the event that delivering the explanation by site visit, the explanation delivery result is included into the Minutes of Pre-bid Meeting on the site visit.
- 8) Procurement Committee delivers a general explanation to the Participants at least on the following matters:
 - a) Stages of the selection;
 - b) Content of the Request for Proposal;

- c) Requirements in the selection stage;
 - d) Draft partnership Contract; and
 - e) Document related to the PPP Project.
- d. Revisions to the Request for Proposal if required;
- 1) If based on the Minutes of Pre-bid Meeting contains new terms/important revisions needed to be included in the Request for Proposal (RfP) before the deadline for the Bidding Proposal submission, the Procurement Committee is obligated to include these new terms or important changes to the Revisions of the Request for Proposal (RfP);
 - 2) Revisions as referred to in point 1) shall obtain an approval from the GCA. The GCA will give its approval not later than 5 (five) work days after the revisions are proposed by the Procurement Committee;
 - 3) If the GCA does not give a response as referred to in point 2), the GCA is considered to disapprove to the proposed Revisions of the Request for Proposal (RfP);
 - 4) In the event that there are revisions to the Request for Proposal (RfP), the Procurement Committee informs in writing by attaching the Revisions to the Request for Proposal (RfP) to all Participants. If these new terms or other important changes are not included in the Request for Proposal (RfP), these new terms or other important changes are considered non-existent and the prevailing provisions in the previous Request for Proposal (RfP) will apply;
 - 5) Each revision to the Request for Proposal (RfP) is an integral part of the Request for Proposal, and will be informed to all Participants; and
 - 6) If there are revisions in the Request for Proposal, the Procurement Committee may provide an extension of the deadline for the submission of the Bidding Proposal.
- e. Submission of the Stage I Bidding Proposal (The Administrative and the Technical Documents):
- 1) Participants submit the Bidding Proposal to the Procurement Committee according to the schedule determined in the Request for Proposal;
 - 2) Stage I Bidding Proposal consists of the Administrative and Technical Documents;

- 3) Procurement Committee rejects the Stage I Bidding Proposal that are submitted after the time of deadline for the Stage I Bidding Proposal submission.
- 4) Participants submit the Stage I Bidding Proposal in accordance with the requirements in the Request for Proposal (RfP) which consist of:
 - a) Administrative Bidding Proposal
Participants submit the administrative Bidding Proposal as required which at least covers:
 - (1) Bid letter;
 - (2) Power of attorney;
 - (3) Consortium agreement;
 - (4) Other statement letters needed; and
 - (5) Mark-ups to the PPP draft Contract.
 - b) Technical Bidding Proposal at least consists of:
 - (1) Technical data which consist of:
 - (a) Technical information;
 - (b) Technical drawings;
 - (c) Performance data including the performance test procedures;
 - (d) Data related to the project and the environment;
 - (e) Operational and maintenance data;
 - (f) Project summary data; and
 - (g) Asset transfer plans.
 - (2) Supporting data;
 - (3) Project implementation schedule plan; and
 - (4) PPP project organizational plan and implementation management.
 - c) Opening of the Stage I Bidding Proposal;
 - (1) Opening of the Bidding Proposal is conducted by the Procurement Committee before the Participants at a set time and place;
 - (2) Procurement Committee requests the presence of representatives of the Participants as witnesses. If no witness or only 1 (one) from the Participants attends, the opening of the Stage I Bidding

Proposal is postponed by the Procurement Committee for 1 (one) hour;

- (3) If after the postponement for 1 (one) hour, no representative of Participant attends or there is only 1 (one) participant as witness, the opening of the Stage I Bidding Proposal remains to be carried out by being witnessed by 2 (two) witnesses beside the Procurement Committee, appointed in writing by the Procurement Committee;
 - (4) The opening of the Stage I Bidding Proposal is recorded in the Minutes of the Opening of the Stage I Bidding Proposal and signed by all members of the Procurement Committee attend and the witnesses; and
 - (5) Copies of the Minutes of the Opening of the Stage I Bidding Proposal Opening are distributed to all Participants.
- f. Evaluation of the Stage I Bidding Proposal:
- 1) Procurement Committee conducts an evaluation of the Stage I Bidding Proposal based on the terms and procedures determined in the Request for Proposal (RfP).
 - 2) Procurement Committee will evaluate the Bidding Proposal from the responsive Participants.
 - 3) Responsive bid is the bid which fulfills the requirement, the terms and the specification determined in the Request for Proposal (RfP) without any significant differences in the substances. Significant differences in the substances are differences which will affect changes in the scope of work, quality and the performance of the project.
 - 4) In evaluating, the Procurement Committee is not allowed to change, add and/or reduce the criteria and the procedure of the evaluation after the deadline for the Stage I Bidding Proposal submission.
 - 5) Evaluation of the Bidding Proposal consists of:
 - a) Administrative Evaluation
 - (1) Administrative Evaluation is conducted by using Pass and Fail System on the fulfillment of the administrative requirements; and

- (2) Procurement Committee only eliminates substantial matters.
- b) Technical Evaluation
 - (1) Generally, the technical evaluation is conducted to ensure that the Participants' bids fulfill the requirements determined in the Request for Proposal (RfP) and to ensure the fulfillment of the service level provided in the draft contract;
 - (2) Technical evaluation is conducted to Participants who fulfill the Administrative requirements;
 - (3) Technical evaluation is conducted by considering the compliance of the technical bid by referring to the requirements determined in the Request for Proposal (RfP). The Procurement Committee will award certain scores to every fulfillment of the technical requirement elements with the weighting determined in the Request for Proposal (RfP). Each element of the technical requirements is weighted with a total weight of the whole element 100% (one hundred percent);
 - (4) Bid is considered passing the technical evaluation if each or the total elements reach the threshold.
 - (5) In evaluating, the Procurement Committee may request the Participant to elaborate on the technical Bidding Proposal.
- 6) Procurement Committee prepares the Minutes of the Evaluation Result of the Stage I Bidding Proposal.
- 7) Minutes of the Evaluation Result of the Stage I Bidding Proposal is signed by at least two third of the total Procurement Committee members.
- 8) If no Stage I Bidding Proposal qualifies, the Tender Process is fail.
- g. Notification of the evaluation result of the Stage I Bidding Proposal to all Participants;
 - 1) Procurement Committee notifies the evaluation result of the Stage I Bidding Proposal to every participant.
 - 2) To the Participants passing the evaluation of the Stage I

- Bidding Proposal, the notification of the evaluation result as referred to in point 1), is accompanied by an invitation to conduct the discussion meeting on the technical optimization and the draft PPP Contract.
- 3) To the participants who do not pass the Stage I Bidding Proposal evaluation, the announcement of the result as referred to in point 1) is accompanied by the reasons.
 - 4) Delivery of the evaluation result as referred to in point 2) and point 3) may be conducted through electronic mails.
- h. Discussion on Technical Optimization, financial aspects and the Draft PPP Contract:
- 1) Procurement Committee holds a one-on-one meeting with the Participants who pass the Stage I evaluation to discuss on Technical Optimization, financial aspects and the Draft PPP Contract;
 - 2) Before the one-on-one meeting, the Participants are requested to submit a list of questions related to the technical proposal for the discussion of the technical optimization, the financial aspect and the draft PPP Contract. The Procurement Committee then responds by informing the matters that will be discussed in the technical optimization discussion;
 - 3) Matters discussed for the optimization are limited to the matters that are relevant to the outputs required, without changing the fulfillment of the minimum requirements;
 - 4) Discussion result with each Participant is recorded in the Minutes. The Procurement Committee avoids giving too many details to ensure fair competition among the Participants and considers the results of the discussion as important and confidential things;
 - 5) From the results of the discussion with all the Participants, the Procurement Committee conducts a review and if necessary, make adjustments to the initial specifications to obtain bids that are more suitable to the needs without changing the fulfillment of the minimum criteria determined and competed;

- 6) In the event that adjustments to the initial specifications and the Draft PPP Contract Document, such adjustments are included in the Revision to the Request for Proposal (RfP) and the Draft PPP Contract which is an integral part of the Request for Proposal (RfP); and
 - 7) In the event that the technical optimization discussion results in a conclusion which does not require any change to the initial specification and the draft PPP Contract document, the Participants are requested to submit the financial bid.
- i. Revisions to the Request for Proposal (RfP) if required:
- 1) If new matters/changes are needed to be included in the Request for Proposal, the Procurement Committee is obligated to include these new matters or important changes to the Revision of the Request for Proposal (RfP).
 - 2) Procurement Committee proposes the Revisions of the Request for Proposal (RfP) to obtain an approval from the GCA after the discussion on the technical optimization, the financial aspect and the draft PPP Contract is completed.
 - 3) Proposal for the approval of the Revisions of the Request for Proposal (RfP) and the draft PPP Contract is accompanied by the Minutes of the Technical Optimization Discussion Result.
 - 4) GCA responds to the proposal of the Revisions of the Request for Proposal (RfP) as referred to in point 2), not later than 5 (five) work days after receiving the proposal from the Procurement Committee.
 - 5) If the GCA does not give a response as referred to in point 4), the GCA is considered to have disapproved the proposed revisions to the document.
 - 6) Procurement Committee will issue the Revisions to the Request for Proposal (RfP) which includes the Draft PPP Contract and inform all Participants immediately after the letter of approval is received.
 - 7) In the event that new important terms or changes are not included in the Revisions of the Request for Proposal, the new terms or changes are considered non-existent and the

prevailing terms are the previous Request for Proposal (RfP).

- 8) Every revision of the Request for Proposal (RfP) is an integral part of the Request for Proposal and delivered to all participants.
- 9) In the event that the revisions of the Request for Proposal (RfP), the Procurement Committee may extend the deadline for the submission of the Stage II Bidding Proposal.

The Revisions of the Request for Proposal (RfP) and the Draft PPP Contract become the basis for the Participants to submit the Stage II Bid.

j. Submission of the Stage II Bidding Proposal:

- 1) Participants submit the Stage II Bidding Proposal to the Procurement Committee according to the schedule determined in the Request for Proposal (RfP) and its revisions if any.
- 2) Participants who participate in the discussion but do not intend to submit the Stage II Bidding Proposal are allowed to withdraw;
- 3) Procurement Committee rejects the Stage II Bidding Proposal that is submitted after the deadline for the Stage II Bidding Proposal submission;
- 4) Participants submit the Stage II Bidding Proposal in accordance with the requirements in the Request for Proposal (RfP) and its revisions if any, which consist of:
 - a) Administrative Bidding Proposal at least covers:
 - (1) Bid bond that fulfills the following terms:
 - (a) Nominal value of the Bid Bond which is calculated at 1% of the PPP investment value estimate;
 - (b) Based on the GCA study, the bid bond nominal value may be set higher or lower than 1%;
 - (c) A name written on the bid bond is the same as the name of the Participant. In the event the Participants form a consortium, the bid bond will have the name of the consortium

according to the name written in the Consortium Agreement;

- (d) PPP Project guaranteed is the same name as the Tendered Partnership Project;
- (e) In the event that the Participants are declared in default by the Procurement Committee, the bid bond cannot be withdrawn by the Participants;
- (f) Procurement Committee shall be able to liquidate the bid bond without conditions according to the value of the Bond not later than 14 (fourteen) work days after the statement of default from the Procurement Committee is received by the Issuer of the Bond;
- (g) Participant announced as the winner is obligated to extend the validity of the bid bond until the PPP Contract is signed, not later than 5 (five) work days after the objection process is completed;
- (h) Bid bond will be liquidated and deposited to the State/Regional Treasury if:
 - i. Winner withdraws from the Procurement Process;
 - ii. Participants withdraw their bids Documents during the validity of the bid;
 - iii. Participants forge the Bidding Proposals; or
 - iv. PPP Implementing Business Entity does not sign the PPP Contract within 40 (forty) days since the establishment of the Implementing Business Entity.
- (i) In the event there is a change of schedule which causes the extension of the Bid Letter and bid bond validities, the Procurement Committee will request in writing to the

Participant to extend the validity of the Bid Letter and the Bid Bond. If any Participant objects or does not extend the validity of the Bid Letter and the Bid Bond, the Participant is disqualified and the Bid Bond is returned to the Participant.

- (2) Transfer of asset at the end of the PPP Contract (if any); and
 - (3) Other information required.
- b) Optimized Technical Bidding Proposal at least consists of:
- (1) Technical data;
 - (2) Supporting data;
 - (3) Project implementation schedule plan; and
 - (4) PPP Project organizational plan and implementation management.
- c) Financial Bidding Proposal consists of:
- (1) Financial bid letter accompanied by the financial model in the form of hardcopy and spreadsheets as well as the explanation for the use of the model. The financial planning includes the needs for Government Support, the bid Letter includes the validity of the financial bid, and is signed by the party authorized to represent the Business Entity/consortium;
 - (2) Financial planning with the financial model is integrated with the Income Statement, the analysis of the cash flow and supported by other relevant data such as the assumption data on the estimate of the capital cost, the operational cost, the funding cost and other relevant costs including taxes during the cycle of the PPP Project according to the financial requirements determined in the Request for Proposal (RfP).

- (3) Financial Model among others:
 - (a) Initial capitalization plan;
 - (b) Investment plan;
 - (c) Operation and the maintenance expenses;
 - (d) Cash flow report;
 - (e) Balance sheet;
 - (f) Income Statement;
 - (g) Return on investment /discounted cash flow analysis which shows the project's investment rate of return;
 - (h) Financial ratio including debt service coverage ratio (DSCR) and profitability ratio;
 - (i) Calculation of tariffs accompanied by the assumption used in the preparation of the financial model and the financial report; and
 - (j) Plan for Government financial support (if required).
 - (4) Claw back given to the Government (if any).
 - d) Draft PPP Contract which has been given initials.
- k. Opening of the Stage II Bidding Proposal;
- 1) Procurement Committee invites the Participants who submit the Stage II Bidding Proposal to attend the opening of the Stage II Bidding Proposal at a set time and place;
 - 2) Opening of the Stage II Bidding Proposal is conducted by the Procurement Committee before the Participants who submits Stage II Bidding Proposal at a set, time and place;
 - 3) Procurement Committee requests the presence of the representatives of the Participants as witnesses. If there is no witness or there is just 1 (one) witness from the Participants present, the opening of the Stage II Bidding Proposal is postponed by the Procurement Committee for 1 (one) hour;
 - 4) If after the postponement for 1 (one) hours, no Participant attends, the opening of the Bidding Proposal will be carried out witnessed by 2 (two) witnesses beside from the Procurement Committee, appointed in writing by the Procurement Committee;

- (5) Opening of the Stage II Bidding Proposals is recorded in the Minutes of the Opening of the Stage II Bidding Proposal and signed by all members of the Procurement Committee attends and the witnesses; and
 - (6) Copies of the Minutes of the Stage II Bidding Proposal Opening are distributed to all Participants who submit the Stage II Bidding Proposal.
1. Evaluation of the Stage II Bidding Proposal;
 - 1) Procurement Committee conducts an evaluation in accordance with the terms and procedures determined in the Request for Proposal (RfP);
 - 2) In evaluating, the Procurement Committee is not allowed to change, add and/or reduce the criteria as well as the procedures for the evaluation after the deadline for the Stage II Bidding Proposal submission;
 - 3) Evaluation of the Stage II Bidding Proposal consists of:
 - a) Administrative document evaluation.

Evaluation of administrative document is based on the requirements determined in the Revisions of the Request for Proposal (RfP).
 - b) Optimized technical evaluation.

Optimized technical evaluation is conducted by considering the compliance of optimized technical bid with the requirements determined in the Request for Proposal (RfP) result of the technical optimization.
 - c) Financial Bidding Proposal Evaluation.

Procurement Committee uses the Merit Point System as determined in the Request for Proposal (RfP) to evaluate the financial Bidding Proposal.
 - d) Combination of the Technical and Financial Evaluation:
 - (1) Based on the technical and financial evaluation, the Procurement Committee combines the technical and financial achievement based on the combination of weightings set in the Request for Proposal.

- (2) In the event that the PPP project gains viability support, the determination of financial weight shall be higher than the technical weight.
 - (3) Based on the total scores as a result of a combination of the technical and financial evaluation, the Procurement Committee ranks the result of the evaluation. The Participant with the highest total ranks first.
 - 4) In evaluating, the Procurement Committee conducts arithmetical corrections for miscalculations, additions and so on. The result of the correction is recorded in the Minutes of the Clarification and the Arithmetical Correction.
 - 5) Participant's Bid will be adjusted according to the corrections made and become the final Bid.
 - 6) Procurement Committee prepares the Minutes of the Stage II Bidding Proposal Evaluation Result which is the result of the administrative evaluation, optimized technical document evaluation and financial document evaluation.
 - 7) Minutes of the Stage II Bidding Proposal Evaluation Result is signed by at least two third of the total of the Procurement Committee members.
 - 8) If no Stage II Bidding Proposal qualifies, the Procurement Committee declares the Tender Process fail.
- m. Issuance of the Minutes of the Tender Result:
- 1) Procurement Committee prepares the Minutes of the Tender Result;
 - 2) Minutes of the Tender Result are a summary of the administrative, technical and the financial evaluation result made by the Procurement Committee and signed by at least two third of the Procurement Committee members.
 - 3) Minutes of the Tender Result is confidential until the announcement of the winner.
 - 4) Minutes of the Tender Result have to include as follows:
 - a) Name of all Participants;
 - b) Estimate of the bid investment value from each

- Participant;
 - c) Evaluation method used;
 - d) Elements evaluated;
 - e) Other notes deemed necessary on the implementation of the Tender;
 - f) A number of the Participants who passes and fails in each evaluation;
 - g) Date of the minutes; and
 - h) Participants' ranks.
- n. Determination of the winner;
- 1) Based on the Minutes of the Tender Result, the Procurement Committee prepares and delivers a report to the GCA for the determination of the winner;
 - 2) Report as referred to in point 1), is accompanied by the proposal of the prospective winner, first and second runner-ups (if any).
 - 3) GCA determines the Tender winner, first and second runner-ups (if any) based on the proposal of the Procurement Committee not later than 10 (ten) work days.
 - 4) In the event that the GCA does not approve the Procurement Committee's proposal, the GCA discusses this matter with the Procurement Committee to make a decision, and this matter is recorded in the Minutes signed by the GCA and the Procurement Committee;
 - 5) Minutes as referred to in point 4) contains objections and consensus during the discussion; and
 - 6) Decision as referred to in point 4) is in the form of an approval of the Procurement Committee's proposal or the implementation of a re-evaluation.
- o. Announcement of the Tender result;
- 1) Based on the determination of the winner by the GCA, the Procurement Committee announces the Tender result to every Participant through electronic mails and posts it on the GCA's official website and/or print media according to the specified schedule;

- 2) Procurement Committee announces the Tender winner after the Minutes of the Tender Result has been published;
 - 3) Content of the Tender result announcement at least covers:
 - a) Name of the partnership project;
 - b) Name of the GCA;
 - c) Name and address of the winner;
 - d) Period of time for the partnership; and
 - e) Investment value conducted by the winner.
- p. Objection;
- 1) Participants who submit the Bidding Proposal may address their objections in writing on the result of the Selection accompanied by the sufficient preliminary evidence of breach/violation.
 - 2) Period of time for the submission of the objection is determined by the Procurement Committee in the selection document not later than 5 (five) work days after the announcement of the Winner.
 - 3) Participants who submit the Bidding Proposals may collectively address their objections with other Participants.
 - 4) Participants who submit the Bidding Proposal may only address their objections as follows:
 - a) Violation(s) on terms and procedures regulated by this Head Regulation and determined in the Request for Proposal;
 - b) Certain dishonest practices that prevent fair business competition; and/or
 - c) An abuse of authority by the Procurement Committee and/or other authorized officials in the selection process.
 - 5) GCA responds in writing to all objections not later than 10 (ten) work days after the objection is received;
 - 6) If the GCA does not respond as referred to in point 5), the GCA is considered to have rejected the objection;
 - 7) The objections do not terminate the ongoing process of selection; and
 - 8) If the objection is declared true by the GCA, the GCA

instructs the Procurement Committee to re-evaluate or declares the Tender fail.

- q. Issuance of the Letter of Award;
 - 1) GCA issues the Letter of Award with the following terms:
 - a) No objection from Tender Participants;
 - b) Any objection proven untrue;
 - c) Objection period ended; and
 - d) Winner has extended the validity of the bid bond until the signing of the partnership Contract.
 - 2) GCA issues the Letter of Award not later than 7 (seven) work days after the objection process ends;
 - 3) Winner who withdraws after the issuance of the Letter of Award with reasons that cannot be accepted by the GCA, the Bid Bond is liquidated and deposited into the State/Regional Treasury and such winner is imposed a sanction by putting its name in the Black List.
 - 4) If the winner withdraws from the Tender after the issuance of the Letter of Award with reasons accepted by the GCA, the Bid Bond is liquidated and deposited into the State/Regional Treasury.
 - 5) If the winner withdraws, the GCA may issue the Letter of Award to the first runner-up provided that:
 - a) First runner-up is determined as the winner; and
 - b) Bid letter and the bid bond are still valid or the validities have been extended until the signing of the partnership Contract.
 - 6) If the first runner-up withdraws, the GCA may issue the letter of award to the second runner-up provided that:
 - a) Second runner-up is determined as the winner; and
 - b) Bid letter and the bid bond are still valid or the validities have been extended until the signing of the partnership Contract.
 - 7) If all winners withdraw, the GCA declares the Tender fail.
- r. Preparation of the PPP Contract signing;
 - 1) Based on the Letter of Award issued, the GCA conducts a preparation for the signing of the PPP Contract by:
 - a) Issuing the letter of appointment as the Winning

Business Entity not later than 10 (ten) work days after the Letter of Award is issued.

- b) Finalizing the Draft PPP Contract. In the finalization process, the GCA is not allowed to change the competed substantial matters.

2) In the PPP Contract signing preparation process, the GCA may be assisted by the PPP Team and the Procurement Committee.

C. Direct Appointment

1. Direct Appointment with certain conditions covers the following activities:

- a. Invitations to the prospective Implementing Business Entities which fulfill certain conditional terms, accompanied by the submission of the qualification forms, the Request for Proposal (RfP) and the Confidentiality Letter;
- b. Submission of the qualification document which consists of the administrative document, the technical and financial capabilities;
- c. Qualification evaluation is conducted on the fulfillment of the qualification Document requirements;
- d. Pre-Bid Meeting of the PPP Project. If there are new terms/changes that need to be included in the Request for Proposal (RfP) in the Pre-Bid Meeting, the Procurement Committee is obligated to include these new terms or important changes to the Revisions of the Request for Proposal (RfP);
- e. Bidding Proposal is submitted in 1 (one) envelope which consists of the administrative document, technical Bidding Proposal and financial Bidding Proposal.
- f. Evaluation of the Bidding Proposal, clarification and negotiation. The evaluation is conducted according to the terms determined in the Request for Proposal. In evaluating, the Procurement Committee conducts technical, financial and Draft PPP Contract clarification and negotiation. The evaluation, clarification and the negotiation are recorded in the minutes.
- g. Delivery of the direct appointment result to obtain a determination from the GCA is attached to the Minutes of the Direct Appointment Result which is the conclusion of the Bidding Proposal evaluation result, clarification and negotiation.

CHAPTER II
IMPLEMENTATION OF THE PROCUREMENT OF PREPARATION AGENCY

A. Pre-qualification

Pre-qualification covers the following activities:

1. Announcement and the invitation to the Pre-qualification by attaching the Pre-Qualification Document.
 - a. Procurement Committee announces the Pre-qualification through the national print media at least once and the GCA's official website.
 - b. For the projects that attract foreign participants, the announcement is posted in the print media with an international circulation and/or international websites.
 - c. Procurement Committee invites potential participants to participate in the Pre-qualification by attaching the Pre-qualification Document.
 - d. Announcement at least consists of:
 - 1) Name and address of the GCA conducting the Procurement of Preparation Agency;
 - 2) A brief description of the scopes of work:
 - a) Preparation and Transaction; or
 - b) PPP Transaction;
 - 3) Requirements for the Pre-qualification prospective Participants;
 - 4) Owner's Estimate; and
 - 5) Place, date and time of collecting the Pre-qualification Document.
2. Explanation of a general description of the PPP Project, the scope of work of the PPP Preparation and Transaction, or the PPP Transaction as well as the Pre-qualification Document.
 - a. Procurement Committee holds the pre-bid meeting on:
 - 1) General description of the upcoming PPP Project;
 - 2) Pre-qualification Document; and
 - 3) Scope of work and the output of activity:
 - a) Preparation and the Transaction; or
 - b) PPP project transaction.

- b. Explanation is conducted openly, transparently and non-discriminatively.
- c. Procurement Committee holds the pre-bid meeting at a set place and time attended by the participants;
- d. Participants may attend and inquire and/or respond to:
 - 1) Pre-qualification Document and/or
 - 2) Scope of work and the output of activity:
 - a) Preparation and the Transaction; or
 - b) PPP project transaction.
- e. Absence of the Participants at the stage of the pre-bid meeting cannot be used as the basis for eliminating/refusing the bids;
- f. Procurement Committee delivers the explanation to the Participants at least including:
 - 1) Requirements for the qualification and the stages in the Selection process;
 - 2) Stages in the Qualification;
 - 3) Scope of work and the output of activity;
 - a) Preparation and the Transaction; or
 - b) PPP project transaction;
 - 4) Procedures for addition, replacement, reduction, withdrawal (resignation) of the Pre-qualification Document that has been submitted to the Procurement Committee; and
 - 5) Evaluation criteria and methodology used in the evaluation of the Qualification Document.
- g. If new matters/terms or other important changes need to be made to the Pre-qualification Document before the deadline for the qualification document submission, hence before the deadline for the qualification document submission, the Procurement Committee is obligated to include these new issues/terms or other important changes to the revisions of the Pre-qualification Document and inform in writing by attaching the revisions of the Pre-qualification Document to all participants.
- h. Revisions as referred to in point g shall obtain an approval from the GCA. The GCA will give its approval not later than 5 (five) work days after the revisions are proposed by the Procurement Committee.

- i. If the GCA does not give an approval as referred to in point h, the GCA is deemed to disapprove the proposed revisions of the document.
 - j. If these new terms or other important changes are not included in the revisions of the Pre-qualification Document, these new issues/provisions or other important revisions will be considered non-existent and the prevailing provisions in the Pre-qualification Document will apply.
 - k. Every revision of the Pre-qualification Document is an integral part of the Pre-qualification Document and is informed to all Pre-qualification Participants.
3. Submission of the qualification document is conducted with the following terms:
 - a. Participants fill in and complete the qualification document.
 - b. Participants submit the qualification document to the Procurement Committee according to the schedule determined in the Pre-Qualification document.
 - c. Procurement Committee makes a receipt for the qualification document and makes a list of the Participants who submit their bids.
 - d. Submission, addition, replacement, reduction, withdrawal (resignation) of the qualification document submitted to the Procurement Committee may only be conducted before the deadline for the Qualification Document submission.
4. Qualification Evaluation
 - a. Evaluation of the Qualification covers the assessment on the fulfillment of the administration requirement, the technical capability and the financial capability.
 - b. Qualification evaluation is only based on the qualification forms by using the Pass and Fail assessment method on the fulfillment of the Pre-qualification Document requirements.
 - c. While conducting the evaluation, the Procurement Committee only eliminates on substantial matters.
 - d. Qualification evaluation process includes clarification and the verification.
 - e. Participants may conduct and provide written clarifications on the Qualification Document submitted to the Procurement Committee provided that no substantial changes are made to the qualification document.

- f. Qualification evaluation implementation is recorded in the Minutes of the Qualification Document Evaluation signed by the Procurement Committee.
 - g. If the Pre-qualification does not result in any Business Entity or National or International Agency/Institution/ Organization which fulfills the qualification, the process of Procurement of Preparation Agency is declared fail.
 - h. In the event that the Pre-qualification process fails, the Procurement Committee determines to repeat the Pre-qualification process or terminate the Procurement process.
5. Determination and the announcement of the qualification result;
- a. Procurement Committee determines a list of participants passing the Pre-Qualification based on the qualification evaluation result.
 - b. Procurement Committee announces the list of participants passing the Pre-Qualification in accordance with the set schedule.
 - c. Announcement of the list of Participants as referred to in point b is carried out through the following media:
 - 1) GCA official website; and/or
 - 2) Print media;
 - d. Procurement Committee delivers the results of the Pre-qualification to all Participants and may be conducted through electronic mails.
6. Qualification objection
- a. Participants who submit the qualification document may address their objections accompanied by sufficient initial evidence of the violation.
 - b. Period of time for the submission of the objection is determined in the Qualification Document not later than 5 (five) work days after the announcement of the Qualification result.
 - c. Participants who submit the qualification document may collectively address their objections along with other Participants.
 - d. Participants who submit the qualification document may only address their objections on matters such as:
 - 1) Violation of terms and procedures regulated in this Head Regulation and determined within the Pre-qualification Documents;

- 2) Certain dishonest practices that prevent the fair business competition; and/or
 - 3) Abuse of authority by the Procurement Committee in the implementation of Pre-qualification.
- e. Any objections will not terminate the Pre-qualification process.
 - f. GCA will provide a written response to all objections not later than 5 (five) work days after the objections are received.
 - g. If the GCA does not respond as referred to in point f, hence the GCA is considered to have rejected the objection.
 - h. If the objection is declared true by the GCA, the GCA will declare the Pre-qualification process fail.
 - i. In the event that the Pre-qualification process fails, the Procurement Committee evaluates the cause(s) of the failure.
 - j. Based on the evaluation result report, the GCA decides to repeat the Pre-qualification or terminate the procurement process.

B. Selection

1. Quality Based Selection Method

Selection of the Business Entities or National or International Agencies/Institutions/Organizations as the Preparation Agency is at least conducted through the following stages:

- a. Invitations to the Participants passing the Pre-Qualification by attaching the Request for Proposal (RfP)
 - 1) Procurement Committee invites business entities or national or international agencies/institutions/organizations passing the Pre-Qualification and attaches the Request for Proposal (RfP).
 - 2) Contents of the Draft Request for Proposal at least consist of:
 - a) Instructions to the Participants among which include:
 - (1) General, which covers:
 - (a) Objectives;
 - (b) Scope of work;
 - (c) Output;
 - (d) Schedule; and
 - (e) Requirements that need to be fulfilled.

- (2) Documents, which cover:
 - (a) Content of the documents;
 - (b) Language; and
 - (c) Terms of changes and time extension for the Bidding Proposal submission.
 - (3) Bidding Proposal preparation and submission, which cover:
 - (a) Terms of the Bidding Proposal submission;
 - (b) Time of deadline for submission;
 - (c) Terms of Bidding Proposal late submission; and
 - (d) Terms for document revisions, additions and withdrawal.
 - (4) Evaluation process, which covers:
 - (a) Bidding Proposal evaluation;
 - (b) Participant data confidentiality; and
 - (c) Clarification.
- b) Terms of the Bidding Proposal opening and evaluation; Procurement Committee determines the procedures for the Bidding Proposal opening and evaluation which are supported with clear and measurable assessment criteria.
 - c) Prohibition of the Corruption, Collusion and Nepotism, Fraud and the conflict of interest;
 - d) Terms of Reference;
 - e) Payment mechanism including the success fee if any;
 - f) Draft Contract; and
 - g) Other matters that the Procurement Committee considers need to be included and required in the Request for Proposal (RfP).
- b. Pre-bid meeting
 - 1) Pre-bid meeting is held at a set place and time attended by the invited participants.
 - 2) Absence of the participants during the pre-bid meeting cannot be used as the basis for eliminating/refusing their bids.

- 3) Representatives of the participants who attend the pre-bid meeting shall show an identification card and the letter of assignment to the Procurement Committee.
- 4) Pre-bid meeting shall be elaborated to the participants on:
 - a) General terms;
 - b) Scope of work;
 - c) Bid process;
 - d) Procedures for the Bidding Proposal evaluation;
 - e) Payment mechanism including the success fee if any;
 - f) Documents that need to be attached to the Bidding Proposal;
 - g) Schedule of the Bidding Proposal submission and opening;
 - h) Matters that may disqualify the Bid;
 - i) Draft Partnership Contract; and
 - j) Other matters that the procurement committee considers need to be included and required in the Request for Proposal (RfP).
- 5) Pre-bid meeting is conducted by:
 - a) A direct explanation at the pre-bid meeting attended by the Participants;
 - b) Procurement Committee provides the chance for all Participants to submit written questions; and
 - c) If deemed necessary, a site visit is conducted during the pre-bid meeting.
- 6) Pre-bid meeting as referred to in point 5) point a) is conducted with the following terms:
 - a) Participants may make questions and/or responses to the Request for Proposal (RfP) and/or the PPP Project. In the event the Participants form a consortium, the Lead Consortium or the party authorized by the Lead Consortium will be the representative.
 - b) Absence of the Participants during the Pre-Bid Meeting of the Request for Proposal (RfP) cannot be used as the ground for eliminating/refusing their bids.

- c) Pre-Bid Meeting is recorded in the Minutes of Pre-bid Meeting signed by the members of the Procurement Committee and the Participants or the representative of the Participants attending and sent to all Participants as determined in the Request for Proposal (RfP).
 - d) If no Participant attends or are willing to sign the Minutes of Pre-bid Meeting, the Minutes of Pre-bid Meeting will only be signed by the members of the Procurement Committee attend.
- 7) Pre-Bid Meeting of the Request for Proposal (RfP) as referred to in point 5) point b) is conducted with the following terms:
- a) Participants submit written questions starting from the date of the Request for Proposal (RfP) collection until the deadline for the inquiry submission as determined in the Request for Proposal (RfP);
 - b) Procurement Committee promptly responds to the inquiry and informs the responses to all participants.
 - c) All questions and responses submitted as referred to in point a) and point b) are recorded in the List of Questions and Responses which then becomes the attachment of the Minutes of Pre-bid Meeting.
- 8) In the event that the Pre-Bid Meeting conducted by site visit, the explanation delivery is included in the Minutes of Pre-bid Meeting on the site visit.
- 9) Pre-Bid Meeting of the Request for Proposal (RfP) contents, the questions from the Participants, the responses from the Procurement Committee, the revisions to the substantial matters in the document, the result of the site visit and other notes are recorded in the Minutes of Pre-bid Meeting signed by the members of the Procurement Committee and a minimum of 1 (one) representative of the Participants and are an integral part of the Request for Proposal (RfP).
- 10) In the event that no Participant attends or is willing to sign the Minutes of the Pre-Bid Meeting, the Minutes of the Pre-Bid Meeting is signed by the members of the Procurement Committee attend.

- c. Revisions of the Request for Proposal (RfP) (if required)
 - 1) In the event that the Minutes of the Pre-Bid Meeting consists of new matters/terms or revisions that need to be included, the Procurement Committee includes them into the Revisions of the Request for Proposal (RfP).
 - 2) Revisions as referred to in point 1) shall obtain an approval from the GCA.
 - 3) GCA will give its approval not later than 5 (five) work days after the revisions are proposed by the Procurement Committee;
 - 4) If the GCA does not respond to the proposal, the GCA is considered to disapprove the proposed revisions to the document;
 - 5) If these new matters or other important changes are not included in the Revisions to the Request for Proposal (RfP), these new issues or other important changes will be considered non-existent and the affected provisions in the original Request for Proposal Document will apply.
 - 6) Every revision to the Request for Proposal (RfP) is an integral part of the Request for Proposal (RfP), and will be informed to all Participants.
 - 7) In revisions to the Request for Proposal (RfP), the Procurement Committee may provide an extension of the deadline for the Bidding Proposal submission.
- d. Bidding Proposal submission (Two Envelopes);
 - 1) Participants submit the Bidding Proposal to the Procurement Committee according to the schedule set in the Request for Proposal (RfP).
 - 2) Bidding Proposal is submitted in 2 (two) envelopes. The Envelope I consists of the Administrative and Technical Bidding Proposals and Envelope II consists of Financial Bidding Proposal.
 - 3) Procurement Committee rejects the Bidding Proposals that are submitted after the time of deadline for the Bidding Proposal submission.

- 4) Participants submit the Bidding Proposal according to the requirements determined in the Request for Proposal (RfP) which cover:
 - a) Envelope I (administration and technical), which consists of:
 - (1) Bid letter;
 - (2) Power of attorney from the leader/director of the business entity or national or international agency/institution/organization to the beneficiary whose name is written in the deed of establishment or its revisions (if authorization is given);
 - (3) Partnership/Consortium Agreement (if any);
 - (4) Technical Bidding Proposal; and
 - (5) Other documents required in the Request for Proposal (RfP) (if any).
 - b) Envelope II (financial) which consists of:
 - (1) Financial bid letter which includes the bid validity and the total amount of the bid cost;
 - (2) Financial bid recapitulation;
 - (3) Details of the direct remuneration;
 - (4) Details of the direct reimbursable cost; and
 - (5) Other documents required in the Selection Document (if any).
- e. Envelope I Bidding Proposal opening and evaluation;
 - 1) Opening of the Envelope I Bidding Proposal is conducted by the Procurement Committee before the Participants at a set time and place.
 - 2) Procurement Committee requests the presence of representatives of the Participants as witnesses. If no witness or only 1 (one) from the Participants attends, the opening of the Envelope I Bidding Proposal is postponed by the Procurement Committee for 1 (one) hour;
 - 3) If after the postponement for 1 (one) hour, no Participant attends, the opening of the Envelope I Bidding Proposal remains to be carried out by being witnessed by 2 (two) witnesses beside the Procurement Committee, appointed in writing by the Procurement Committee;

- 4) Opening of the Envelope I Bidding Proposal is recorded in the Minutes of the Envelope I Bidding Proposal Opening and signed by all members of the Procurement Committee attend and the witnesses.
- 5) Copies of the Minutes of the Envelope I Bidding Proposal Opening are distributed to all Participants.
- 6) In evaluating, the Procurement Committee is not allowed to change, add and/or reduce the criteria and the procedure of the evaluation after the deadline for the Bidding Proposal submission.
- 7) Procurement Committee conducts an evaluation on the Envelope I Bidding Proposal which covers:
 - a) Administrative evaluation
 - (1) Evaluation of the administrative data is only conducted on matters which are not assessed during the Qualification assessment;
 - (2) Bid is considered passing the administration requirements, if:
 - (a) Substantial requirements requested based on the Selection Document are fulfilled/completed:
 - (b) Bid letter:
 - i. Signed by:
 - i) Chairman of the business entity or national and international agency/ institution/ organization.
 - ii) Endorsee of the power of attorney from the Chairman of the business entity or national and international agency/ institution/ organization stated in the deed of establishment or the revisions; or
 - iii) Official who according to the partnership agreement is authorized to represent the participating

Business Entity or national and international agency/institution/organization.

- ii. Validity period of the bid letter is no less than the time determined in the Request for Proposal (RfP);
 - iii. Implementation period of work offered is not later than the period determined in the Request for Proposal (RfP); and
 - iv. Dated
- (3) Procurement Committee may request for clarification on unclear and vague matters.
 - (4) Bid which fulfills the administrative requirements may proceed to the technical evaluation.
 - (5) If there are only 1 (one) or 2 (two) Participants who fulfill the administrative requirements, the technical evaluation will still proceed;
 - (6) If no Participant fulfilling the administrative requirements, the selection process is declared fail.
- b) Technical evaluation.
- (1) Technical evaluation is conducted with the participants who fulfill the administrative requirements.
 - (2) Elements evaluated are in accordance with the elements determined in the Request for Proposal (RfP).
 - (3) Technical evaluation is conducted by awarding certain scores to each criterion evaluated and certain weightings determined in the Request for Proposal (RfP) and the total scores gained are compared to other participants with the following provisions:
 - (a) Main elements evaluated are: the company experience, the approach and methodology and also the experts' qualifications.
 - (b) Assessment is conducted according to the weighting of each element determined in the Request for Proposal (RfP).

- (4) Assessment of the Participants experience is conducted on:
 - (a) Participants experience has to be completed with references from the clients which show the performance of the Participants. The sub-elements assessed are:
 - i. Experience in conducting similar project/activities;
 - ii. Experience in carrying out works at the location of the projects/activities;
 - iii. Managerial experience and the main facilities; and
 - iv. Capacity of the company or agency/institution/organization by assessing the number of permanent experts.
 - (b) Experience is described clearly by including the following information: the name of the work carried out, the scope of work and the brief data on the work carried out, the location, the employer, contract value and the time the work is carried out (mention the month and the year).
 - (c) Assessment is also conducted to the number of ongoing work carried out by the participant in order to measure the experience and to measure the capacity of the participants to carry out its tasks.
- (5) Approach and the methodology, the assessment is conducted to:
 - (a) Participating company's or Agency/Institution/organization's understanding of the scope of work/service requested in the ToR, understanding of the targets/objectives, the quality of the methodology and the deliverables. The sub elements assessed are:
 - i. Comprehension on the services determined in the ToR, assessment

mainly covers: understanding of the objective of the project/activity, the scope of work and required consultation services (the main aspects indicated in the ToR), and mastering the Location;

- ii. For the quality of the methodology, the assessment mainly covers: the accuracy in analyzing the problems and the solutions proposed by referring to the ToR requirements, the consistency between the methodology and the appreciation work plan for the innovation, the response on the ToR especially on the data available, the person-month experts, the description of the tasks, the period of time for the implementation of the required reports, the expertise and the numbers of experts required, the work program, the schedule of the work, the schedule for the organizational assignment, the required numbers of person-month and the needs for the supporting facilities;
 - iii. For the deliverable, the assessment covers: the analysis, technical specifications, the technical calculation, reports, and technical drawings (if required).
 - iv. Supporting facilities in carrying out the work requested in the ToR.
- (b) Participants who propose new ideas in improving the outputs expected in the ToR will get an extra score.
- (6) Experts qualifications, the assessment is conducted on:
- (a) Experts proposed to carry out the work by paying attention to the types of expertise, requirements and the number of experts

indicated in the ToR;

- (b) Sub-elements assessed in the experts among others are:
 - i. Professional work experience as required in the ToR, supported with references from former clients. For experts proposed as the executive leader/vice executive leader, the work experience in the same position will be assessed;
 - ii. Expertise/professional certificate issued by the authorized party according to expertise/profession as required in the ToR;
 - iii. Other: the mastery of English and Indonesia language (for Foreign Consultant). The personnel who understand/master the aforementioned aspects may be given an extra score.
- (7) Technical evaluation result shall pass the technical passing grade determined in the Request for Proposal (RfP).
- (8) If there is no Participant who pass the technical evaluation, the Selection is declared fail.
- (9) Procurement Committee prepares the Minutes of the Administrative and Technical Bid Evaluation that at least consist of:
 - (a) Names of all Participants;
 - (b) Administrative and Technical Evaluation Results including the reasons why the participants failed;
 - (c) Technical evaluation scores ranked from the highest to the lowest;
 - (d) Technical passing grade;
 - (e) A number of the Participants who passes and fails in each evaluation;
 - (f) Other notes considered necessary in the implementation of the Selection;

- g) A number of the Participants who pass and fail at every stage of evaluation;
 - (h) Date of the minutes prepared; and
 - (i) Statement that the Selection has failed on the based that there is no qualified bid.
- f. Determination of the technical ranks;
 - 1) GCA determines the technical ranks based on the proposal of the Procurement Committee and the Minutes of the Administration and Technical Bid Evaluation, not later than 5 (five) work days after the proposal is received;
 - 2) If the GCA does not approve the proposal of the technical ranks from the Procurement Committee, the GCA may decide to conduct a re-evaluation or declare the selection fail.
 - 3) Technical ranks are arranged from the highest to the lowest and shall include:
 - a) Names of the Participants and the technical scores gained;
 - b) Taxpayer Identification Number (NPWP); and
 - c) Administrative, technical and financial Bid evaluation result.
 - 4) Supporting data required for the determination of the technical ranks are:
 - a) Request for Proposal (RfP) with the Revisions (if any);
 - b) Minutes of the Pre-Bid Meeting;
 - c) Minutes of the Administrative and technical bid evaluation; and
 - d) Bidding Proposal from the participants with the best technical rank, the first runner-up and the second runner-up.
- g. Notification and announcement of the technical ranks;

Procurement Committee notices the determination of the technical ranks to all Participants and announces it on the GCA's official website for the public which at least consists of:

 - 1) Names and the addresses of the Participants;
 - 2) Taxpayer Identification Number;
 - 3) Administrative and technical bid evaluation result (pass/fail);

- 4) Technical scores; and
 - 5) Technical passing grade.
- h. Objection;
- 1) Participants who submit the Bidding Proposal may address their objections in writing on the determination of the winner to the Procurement Committee within 5 (five) work days after the announcement of the winner, attached with evidence of violation, with the carbon copy sent to the GCA.
 - 2) Participants may individually or collectively address their objections with other Participants if there is a violation of procedures which cover:
 - a) Violations on terms and procedures regulated in this Head Regulation and determined in the Request for Proposal (RfP);
 - b) Certain dishonest practices that prevent fair business competition; and/or
 - c) Abuse of authority by the Procurement Committee and/or other authorized officials.
 - 3) GCA is obligated to respond to all objections in writing not later than 5 (five) work days after the objection letter is received;
 - 4) If the GCA does not respond as referred to in point 3), the GCA is considered to have rejected the objection.
 - 5) If the objections are declared true, the GCA may decide to conduct a re-evaluation or declare the Selection fail.
 - 6) Objections which are not addressed to the GCA or addressed out of the objection period are considered as complaints which still need to be followed up.
- i. Invitation to the opening of the Envelope II Bidding Proposal;
- 1) Procurement Committee invites the Tender Participants who pass the evaluation of the Envelope I Bidding Proposal to attend the opening of the Envelope II Bidding Proposal immediately after the announcement of the technical ranks.
 - 2) Invitation includes the place, day, date and time of the Envelope II Bidding Proposal opening.

- j. Opening and Evaluation of the Envelope II Bidding Proposal;
 - 1) Opening of the Envelope II Bidding Proposal is conducted by the Procurement Committee before the Participants who pass the Envelope I Bidding Proposal at the set time and place.
 - 2) Procurement Committee requests the presence of representatives of the Participants as witnesses. If there is no witness from the Participants present, the opening of the Envelope I Bidding Proposal is postponed by the Procurement Committee for 1 (one) hour.
 - 3) If After the postponement for 1 (one) hour, there is no Participant present or there is only one Participant as witness, the opening of the Stage I Bidding Proposal will be carried out witnessed by 2 (two) witnesses beside the Procurement Committee, appointed in writing by the Procurement Committee.
 - 4) Opening of the Bidding Proposal is recorded in the Minutes of the Opening the Envelope II Bidding Proposal and signed by all members of the Procurement Committee attend and the witnesses.
 - 5) Copies of the Minutes of the Opening of the Envelope II Bidding Proposal are distributed to all Participants who pass the Envelope I.
 - 6) Elements that need to be examined and assessed in the financial bid evaluation are:
 - a) Financial fairness on the details of the direct remuneration;
 - b) Fairness of expert assignments;
 - c) Fairness of supporting staff (if any); and
 - d) Financial fairness on the direct reimbursable cost.
 - 7) Before conducting the financial bidding evaluation, the Procurement Committee makes arithmetic corrections for miscalculations, additions and so on. The result of the correction is clarified and then recorded in the Minutes of the Clarification and the Arithmetic Correction;

- 8) Participants Bid will be adjusted according to the corrections made.
 - 9) Procurement Committee prepares and signs the Minutes of the Financial Bid Evaluation which at least consists of:
 - a) Names and addresses of the Participants;
 - b) Completeness of the Envelope II content;
 - c) Cost proposal and the corrected costs;
 - d) Conclusion on the fairness of:
 - (1) Costs on the details of the direct remuneration;
 - (2) Expert assignments;
 - (3) Supporting staff; and
 - (4) The cost on the details of the direct reimbursable cost.
 - e) Other notes deemed necessary;
 - f) Date of the minutes prepared.
 - 10) Minutes of the Financial Bid Evaluation are attached to the Financial Bidding Proposal.
- k. Negotiation
- 1) Procurement Committee invites the Best Ranked Participant to attend the Technical and financial negotiation after the Opening and Evaluation of Envelope II is completed.
 - 2) Procurement Committee conducts a technical and financial negotiation with the best rank participant with the following terms:
 - a) Technical and financial negotiation is conducted by the Procurement Committee with:
 - (1) President Director/the Head of the company/the Head of the National or International Agency/ Institution/ Organization;
 - (2) Endorsee of the power of attorney from the President Director/the Head of the company/the Head of the National or International Agency/Institution/ Organization; or
 - (3) Official who according to the partnership agreement is entitled to represent the partner company.

- b) Technical and financial negotiation is conducted to:
 - (1) Ensure the technical and financial clarity by paying attention to the suitability of the work weightings with the assigned experts and/or supporting staff and also by considering the needs of proportional supporting equipment/facilities in order to gain optimal results; and
 - (2) Gain an efficient and effective financial agreement by paying attention to the desired results according to the technical bid proposed by the Participants.
- c) Technical aspects that need to be clarified and negotiated are mainly:
 - (1) Scope and aims of the Preparation Agency service;
 - (2) Procedures for handling the work and the work plan;
 - (3) Experts' qualifications;
 - (4) Implementing organization;
 - (5) Schedule for the work implementation;
 - (6) Schedule for the personnel assignments; and
 - (7) Supporting facilities.
- d) Financial aspects that need to be clarified and negotiated are mainly:
 - (1) Suitability of the work plan with the types of expenses;
 - (2) Activity volumes and the types of expenses; and
 - (3) Unit price compared to the market price.
- e) Clarification and negotiation of the supporting staff cost (the technical and the supporting/administrative staff) such as the survey team, the secretary or office manager, is conducted based on the market price of such supporting staff.
- f) Financial negotiation is conducted on the total corrected financial bid which exceeds the budget limit, so that the total of the financial bid as the result of the negotiation fulfills the owner's estimation without reducing the quality of the technical bid.

- g) Unit prices which may be negotiated are the direct reimbursable cost and/or unreasonable direct personnel remuneration.
 - h) If the result of financial evaluation and negotiation is not found improper matters, then the total of the financial bid is acceptable provided that it does not exceed the budget limit.
 - i) If the clarification and negotiation with the best rank participant does not reach an agreement, the Procurement Committee proceeds by inviting the second rank participant (if any) to conduct the clarification and negotiation process as regulated in point a) and so on;
 - j) If the clarification and negotiation with the second rank participant does not reach an agreement, the Procurement Committee proceeds by inviting the third rank participant (if any) to conduct the clarification and negotiation process as regulated in point a) and so on;
 - k) If the technical and financial clarification and negotiation with the second and the third rank do not result in an agreement, The Selection is declared fail by the GCA.
 - l) Procurement Committee prepares the Minutes of the Clarification and Negotiation Result.
1. Issuance of the Minutes of the Selection Result
- 1) Procurement Committee prepared the Minutes of the Selection Result.
 - 2) Minutes of the Selection Result is the conclusion of the administrative, technical and financial evaluation result prepared by the Procurement Committee and signed by at least two third of the total Procurement Committee members.
 - 3) Minutes of the Selection Result is confidential until the appointment of the Preparation Agency;

- 4) Minutes of the Selection Result consist of the followings:
 - a) Names of the Selection Participants who participate in the Pre-qualification;
 - b) Names of the Selection Participants who pass Pre-qualification;
 - c) Administrative Bid Result and the technical evaluation score;
 - d) Bid costs from the Selection Participants who pass the administrative and technical evaluation;
 - e) Clarification and negotiation result;
 - f) Budget limit and the owner's estimate;
 - g) Evaluation methods used;
 - h) Elements evaluated;
 - i) Formula used;
 - j) Other notes on the Selection implementation matters considered necessary;
 - k) Total of the Participants who pass and fail in each stage of evaluation; and
 - l) Date the Minutes prepared.

- m. Determination of the winner
 - 1) Based on the Minutes of the Selection Result, the Procurement Committee prepares and delivers a report to the GCA for the determination of the winner.
 - 2) Report as referred to in point 1), is accompanied by the proposal of the winner, the first and the second runner-ups (if any).
 - 3) GCA determines the winner, the first and the second runner-ups (if any) based on the proposal of the Procurement Committee not later than 10 (ten) work days, after the proposal is received.
 - 4) In the event where the GCA does not approve the Procurement Committee's proposal, the GCA will discuss this matter with the Procurement Committee to reach a decision and this matter is recorded in the Minutes which is signed by the GCA and the Procurement Committee;

- 5) Minutes as referred to in Point 4) contain information on the objections and agreements during the discussion.
 - 6) Decision as referred to in point 4) is in the form of an approval of the Procurement Committee's proposal or the implementation of a re-evaluation.
 - 7) Determination of the Selection winner is prepared according to the ranks and shall at least covers:
 - a) Name and the value of the work package;
 - b) Name and the address of the winner;
 - c) Tax payer Identification Number (*NPWP*);
 - d) Financial bid; and
 - e) Combine value of the technical and financial bid.
 - 8) Supporting data required to determine the winner are:
 - a) Procurement Document with its revisions (if any);
 - b) Minutes of Pre-bid Meeting;
 - c) Minutes of the Financial Bid Evaluation and the Calculation of the Technical and Financial Scores Combination; and
 - d) Bidding Proposal from the first, second and third rank participants.
- n. Preparation Agency Appointment by the GCA
- 1) Based on the determination of the winner, the GCA issues a Preparation Agency Appointment Letter to the Selection winner participant.
 - 2) If the appointed winner withdraws, a technical and financial negotiation process is conducted by the First and Second Runner Ups according to the ranks (if any) so long as the Bid Letter is still valid or its validity has been extended.
 - 3) If the winner, first and second runner ups (if any) that will be appointed as the Preparation Agency withdraw, the selection is declared fail by the GCA.
 - 4) Winner, first and second runner ups (if any) who withdraws with unacceptable reason, given a sanction by putting its name in the Black List.
- o. PPP Preparation Agency Contract Signing
- PPP Preparation Agency Contract is signed not later than 10 (ten) work days after the issuance of the Preparation Agency Appointment Letter.

2. Quality and Cost-Based Selection Method

Selection of the Business Entities or National or International Agencies/Institutions/Organizations as the Preparation Agency, is at least conducted through the following stages:

- a. Invitations to the Participant passing the Pre-Qualifications by attaching the Request for Proposal (RfP).
 - 1) Procurement Committee invites qualified business entities or national or international agencies/institutions/organizations and attaches the Request for Proposal (RfP).
 - 2) Contents of the Draft Request for Proposal (RfP) at least consist of:
 - a) Instructions to the participants among which include:
 - (1) General, which covers:
 - (a) Objectives;
 - (b) Scope of work;
 - (c) Output;
 - (d) Schedule; and
 - (e) Requirements that need to be fulfilled.
 - (2) Documents, which cover:
 - (a) Content of the documents;
 - (b) Language; and
 - (c) Terms of changes and time extension for the Bidding Proposal submission.
 - (3) Bidding Proposal preparation and submission, which cover:
 - (a) Terms of the Bidding Proposal submission;
 - (b) Time of deadline for submission;
 - (c) Terms of Bidding Proposal late submission; and
 - (d) Terms for document revisions, additions and withdrawal.
 - (4) Evaluation process, which covers:
 - (a) Bidding Proposal evaluation;
 - (b) Participant data confidentiality; and
 - (c) Clarification.

- b) Terms for the Bidding Proposal opening and evaluation
The Procurement Committee determines the procedures for the Bidding Proposal opening and evaluation which are supported with clear and measurable assessment criteria.
 - c) Prohibition of the Corruption, Collusion and Nepotism, Fraud and the conflict of interest;
 - d) Terms of Reference;
 - e) Payment mechanism including the success fee if any;
 - f) Draft Contract; and
 - g) Other matters that the Procurement Committee considers need to be included and required in the Request for Proposal (RfP).
- b. Pre-bid meeting
- 1) Pre-bid meeting is held at the set place and time attended by the invited participants.
 - 2) Absence of the participants during the pre-bid meeting cannot be used as the basis for eliminating/refusing their bids.
 - 3) Representatives of the participants who attend the pre-bid meeting shall show an identification card and the letter of assignment to the Procurement Committee.
 - 4) Pre-bid meeting shall be elaborated to the participants on:
 - a) General terms;
 - b) Scope of work;
 - c) Bid process;
 - d) Procedures for the Bidding Proposal evaluation;
 - e) Payment mechanism including the success fee if any;
 - f) Documents that need to be attached to the Bidding Proposal;
 - g) Schedule of the Bidding Proposal submission and opening;
 - h) Matters that may disqualify the Bid;
 - i) Draft Partnership Contract; and
 - j) Other matters that the procurement committee deemed necessary to be included and required in the Request for Proposal (RfP).

- 5) Pre-bid meeting is conducted by:
 - a) A direct explanation at the pre-bid meeting attended by the Participants;
 - b) Procurement Committee provides the chance for all Participants to submit written questions; and
 - c) If deemed necessary, a site visit is conducted during the pre-bid meeting.

- 6) Pre-bid meeting of Request for Proposal (RfP) as referred to in point 5) point a) is conducted with the following terms:
 - a) Participants may make questions and/or responses to the Request for Proposal (RfP) and/or the PPP Project. In the event the Participants form a consortium, the Lead Consortium or the party authorized by the Lead Consortium will be the representative;
 - b) Absence of the Participants during the Pre-Bid Meeting of the Request for Proposal (RfP) cannot be used as the basis for eliminating/refusing their bids;
 - c) Pre-Bid Meeting is recorded in the Minutes of Pre-bid Meeting signed by the members of the Procurement Committee and the prospective Participants or the representative of the Participants attending and sent to all Participants as determined in the Request for Proposal (RfP).
 - d) If no Participant attends or are willing to sign the Minutes of Pre-bid Meeting, the Minutes of Pre-bid Meeting will only be signed by the members of the Procurement Committee attend.

- 7) Pre-Bid Meeting of the Request for Proposal (RfP) as referred to in point 5) point b) is conducted with the following terms:
 - a) Participants submit written questions starting from the date of the Request for Proposal (RfP) collection until the time of deadline for the inquiry submission as determined in the Request for Proposal (RfP);
 - b) Procurement Committee promptly responds to the inquiry and informs the responses to all participants;

- c) All questions and responses submitted as referred to in point a) and point b) are recorded in the List of Questions and Responses which then becomes the attachment of the Minutes of Pre-bid Meeting.
 - 8) In the event that Pre-Bid Meeting is conducted by site visit, the explanation delivery result is included in the Minutes of Pre-bid Meeting on the site visit.
 - 9) Pre-Bid Meeting of the Request for Proposal (RfP) contents, the questions from the Participants, the responses from the Procurement Committee, the revisions to the substantial matters in the document, the result of the site visit and other notes are recorded in the Minutes of Pre-bid Meeting which are an integral part of the Request for Proposal.
 - 10) In the event that no Participant attends or is willing to sign the Minutes of the Pre-Bid Meeting, the Minutes of Pre-Bid Meeting is signed by the members of the Procurement Committee attend.
- c. Revisions of Request for Proposal (RfP) (if required)
- 1) If in the Minutes of Pre-bid Meeting as referred to in point b point 8), there are new matters/provisions or other important revisions which need to be included, the Procurement Committee records them in the Revisions to the Request for Proposal (RfP) and become an integral part of the Request for Proposal.
 - 2) Revisions as referred to in point 1) shall obtain an approval from the GCA.
 - 3) GCA will give its approval not later than 5 (five) work days after the revisions are proposed by the Procurement Committee.
 - 4) If the GCA does not respond to the proposal, the GCA is considered to disapprove the proposed revisions to the document.
 - 5) If these new matters or other important changes are not included in the Revisions to the Request for Proposal (RfP), these new issues or other important changes will be considered non-existent and the affected provisions in the original Request for Proposal Document will apply.

- 6) Every revision to the Request for Proposal (RfP) is an integral part of the Request for Proposal (RfP), and informed to all Participants.
 - 7) In revisions to the Request for Proposal (RfP), the Procurement Committee may provide an extension of the deadline for the Bidding Proposal submission.
- d. Bidding Proposal submission (Two Envelopes):
- 1) Participants submit the Bidding Proposal to the Procurement Committee according to the schedule set in the Request for Proposal (RfP).
 - 2) Bidding Proposal is submitted in 2 (two) envelopes. The Envelope I consists of the Administrative and Technical Bidding Proposals and Envelope II consists of Financial Bidding Proposal.
 - 3) Procurement Committee rejects the Bidding Proposals that are submitted after the time of deadline for the Bidding Proposal submission.
 - 4) Participants submit the Bidding Proposal according to the requirements determined in the Request for Proposal (RfP) which cover:
 - a) Envelope I (administrative and technical), which consists of:
 - (1) Bid letter;
 - (2) Power of attorney from the leader/director of the business entity or national or international agency/institution/organization to the beneficiary whose name is written in the deed of establishment or its revisions (if authorization is given);
 - (3) Partnership/Consortium Agreement (if any);
 - (4) Technical Bidding Proposal; and
 - (5) Other documents required in the Request for Proposal (RfP) (if any).
 - b) Envelope II (financial) which consists of:
 - (1) Financial bid letter which includes the bid validity and the total amount of the bid cost;
 - (2) Financial bid recapitulation;
 - (3) Details of the direct remuneration;

- (4) Details of the direct reimbursable cost; and
 - (5) Other documents required in the Selection Document (if any).
- e. Envelope I Bidding Proposal opening and evaluation;
- 1) Opening of the Envelope I Bidding Proposal is conducted by the Procurement Committee before the Participants at a set time and place.
 - 2) Procurement Committee requests the presence of representatives of the Participants as witnesses. If no witness or only 1 (one) from the Participants attends, the opening of the Envelope I Bidding Proposal is postponed by the Procurement Committee for 1 (one) hour.
 - 3) If after the postponement for 1 (one) hour, no Participant attends, the opening of the Envelope I Bidding Proposal remains to be carried out by being witnessed by 2 (two) witnesses beside the Procurement Committee, appointed in writing by the Procurement Committee.
 - 4) Opening of the Envelope I Bidding Proposal is recorded in the Minutes of the Envelope I Bidding Proposal and signed by all members of the Procurement Committee and the witnesses.
 - 5) Copies of the Minutes of the Envelope I Bidding Proposal Opening are distributed to all Participants.
 - 6) In evaluating, the Procurement Committee is not allowed to change, add and/or reduce the criteria and the procedure of the evaluation until the deadline for the Bidding Proposal submission.
 - 7) Procurement Committee conducts an evaluation on the Envelope I Bidding Proposal which covers:
 - a) Administrative evaluation
 - (1) Evaluation of the administrative data is only conducted on matters which are not assessed during the Qualification assessment.
 - (2) Bid is considered passing the administration requirements, if:
 - (a) Substantial requirements requested based on the Selection Document are fulfilled/completed:

- (b) Bid letter;
 - i. Signed by:
 - i) Chairman of the business entity or national and international agency/institution/organization.
 - ii) Endorsee of the power of attorney from the Chairman of the business entity or national and international agency/institution/organization stated in the deed of establishment or the revisions; or
 - iii) Official who according to the partnership agreement is authorized to represent the participating Business Entity or national and international agency/institution/organization.
 - ii. Validity period of the bid letter is no less than the time determined in the Request for Proposal (RfP);
 - iii. Implementation period of work offered is not later than the period determined in the Request for Proposal (RfP); and
 - iv Dated.
- (3) Procurement Committee may request for clarification on unclear and vague matters.
- (4) Bid which fulfills the administrative requirements may proceed to the technical evaluation.
- (5) If there are only 1 (one) or 2 (two) Participants who fulfill the administrative requirements, the technical evaluation will still proceed;.
- (6) If no Participant fulfilling the administrative requirements, the selection process is declared fail.

- b) Technical evaluation.
- (1) Technical evaluation is conducted on the participants who fulfill the administrative requirements.
 - (2) Elements evaluated are in accordance with the elements determined in the Request for Proposal (RfP).
 - (3) Technical evaluation is conducted by awarding certain scores to each criterion evaluated and certain weightings determined in the Request for Proposal (RfP) and the total scores gained are compared to other participants with the following provisions:
 - (a) Main elements evaluated are: the company experience, the approach and methodology and also the experts' qualifications.
 - (b) Assessment is conducted according to the weighting of each element determined in the Request for Proposal (RfP).
 - (4) Assessment of the Participants' experience is conducted on:
 - (a) Participants' experience has to be completed with references from the clients which show the performance of the Participants. The sub-elements assessed are:
 - i. Experience in conducting similar project/activities;
 - ii. Experience in carrying out works at the location of the projects/activities;
 - iii. Managerial experience and the main facilities; and
 - iv. Capacity of the company or agency/institution/organization by assessing the number of permanent experts.
 - (b) Experience is described clearly by including the following information: the name of the work carried out, the scope of work and the brief data on the work carried out, the

location, the employer, the contract value and the time the work is carried out (mention the month and the year).

- (c) Assessment is also conducted to the number of ongoing work carried out by the participant in order to measure the experience and to measure the capacity of the participants to carry out its tasks.
- (5) Approach and the methodology, the assessment is conducted to:
- (a) Participating company's or Agency/ Institution/organization's understanding of the scope of work/service requested in the ToR, understanding of the targets/objectives, the quality of the methodology and the deliverables. The sub elements assessed are:
 - i. Comprehension on the services determined in the ToR, assessment mainly covers: understanding of the objective of the project/activity, the scope of work and required consultation services (the main aspects indicated in ToR), and mastering the Location;
 - ii. For the quality of the methodology, the assessment mainly covers: the accuracy in analyzing the problems and the solutions proposed by referring to the ToR requirements, the consistency between the methodology and the appreciation work plan for the innovation, the response on the ToR especially on the available data, the person-month experts, the description of the tasks, the period of time for the implementation of the required reports, the expertise and the numbers of experts required, the work program, the schedule of the work, the schedule for

- the organizational assignment, the required numbers of person-month and the needs for the supporting facilities;
- iii. For the deliverable, the assessment covers: the analysis, technical specifications, the technical calculation, reports, and technical drawings (if required).
 - iv. Supporting facilities in carrying out the work requested in the ToR.
- (b) Participants who propose new ideas in improving the outputs expected in the ToR will get an extra score.
- (6) Expert's qualifications, the assessment is conducted on:
- (a) Experts proposed to carry out the work by paying attention to the types of expertise, requirements and the number of experts indicated in the ToR;
 - (b) Sub-elements assessed in the experts among others are:
 - i. Professional work experience as required in the ToR, supported with references from former clients. For experts proposed as the executive leader/vice executive leader, the work experience in the same position will be assessed;
 - ii. Expertise/professional certificate issued by the authorized party according to expertise/profession as required in the ToR;
 - iii. Other: the mastery of English and Indonesia language (for Foreign Consultant). The personnel who understand/master the aforementioned aspects may be given an extra score.

- (7) Technical evaluation result shall pass the technical passing grade determined in the Request for Proposal (RfP).
 - (8) If there is no Participant who pass the technical evaluation, the Selection is declared fail.
 - (9) Procurement Committee prepares the Minutes of the Administrative and Technical Bid Evaluation that at least consist of:
 - (a) Names of all Participants;
 - (b) Administrative and Technical Evaluation Results including the reasons why the participants failed;
 - (c) Technical evaluation scores ranked from the highest to the lowest;
 - (d) Technical passing grade;
 - (e) A number of the Participants who passes and fails in each evaluation;
 - (f) Other notes considered necessary in the implementation of the Selection;
 - (g) A number of the participants who pass and fail at every stage of evaluation;
 - (h) Date of the minutes is prepared; and
 - (i) Statement that the Selection has failed on the based that there is no qualified bid.
- f. Determination of the technical ranks;
- 1) GCA determines the technical ranks based on the proposal of the Procurement Committee and the Minutes of the Administration and Technical Bid Evaluation, not later than 5 (five) work days after the proposal is received.
 - 2) If the GCA does not approve the proposal of the technical ranks from the Procurement Committee, the GCA may decide to conduct a re-evaluation or declare the selection fail.
 - 3) Technical ranks are arranged from the highest to the lowest and shall include:
 - a) Names of the participants and the technical scores gained;
 - b) Tax payer Identification Number (*NPWP*); and

- c) Administrative, technical and financial Bid evaluation result.
 - 4) Supporting data required for the determination of the technical ranks are:
 - a) Request for Proposal (RfP) with the Revisions (if any);
 - b) Minutes of Pre-Bid Meeting;
 - c) Minutes of the Administrative and technical bid evaluation; and
 - d) Bidding Proposal from the participants with the best technical rank, the first runner-up and the second runner-up.
- g. Notification and announcement of the technical ranks
 - 1) Procurement Committee notices the determination of the technical ranks to all Participants and announces it on the GCA's official website for the public which at least consists of:
 - a) Names and the addresses of the Participants;
 - b) Tax payer Identification Number;
 - c) Administrative and technical bid evaluation result (pass/fail);
 - d) Technical scores; and
 - e) Technical passing grade.
 - 2) Notice as referred to in point 1) may be carried out electronically.
- h. Invitation to the opening of the Envelope II Bidding Proposal;
 - 1) Procurement Committee invites the Participants who pass the evaluation of the Envelope I Bidding Proposal to attend the opening of the Envelope II Bidding Proposal immediately after the announcement of the technical ranks.
 - 2) Invitation includes the place, day, date and time of the Envelope II Bidding Proposal opening.
- i. Opening and Evaluation of the Envelope II Bidding Proposal;
 - 1) Opening of the Envelope II Bidding Proposal is conducted by the Procurement Committee before the Participants who pass the Envelope I Bidding Proposal at a set time and place.

- 2) Procurement Committee requests the presence of representatives of the Participants as witnesses. If there is no witness or there only 1 (one) witness from the Participants present, the opening of the Envelope I Bidding Proposal is postponed by the Procurement Committee for 1 (one) hour.
- 3) If After the postponement for 1 (one) hour, there is no witness or there only 1 (one) witness from the Participant present, the opening of the Bidding Proposal will be carried out witnessed by 2 (two) witnesses beside the Procurement Committee, appointed in writing by the Procurement Committee.
- 4) Opening of the Envelope II Bidding Proposal is recorded in the Minutes of the Opening the Envelope II Bidding Proposal and signed by all members of the Procurement Committee attend and the witnesses.
- 5) Copies of the Minutes of the Opening of the Envelope II Bidding Proposal are distributed to all Participants who pass the Envelope I.
- 6) Elements that need to be examined and assessed in the financial bid evaluation are:
 - a) Financial fairness on the details of the direct remuneration;
 - b) Fairness of expert assignments;
 - c) Fairness of supporting staff (if any); and
 - d) Financial fairness on the direct reimbursable cost.
- 7) Before conducting the Financial Bid evaluation, the Procurement Committee makes arithmetic corrections for miscalculations, additions and so on. The result of the correction is clarified and then recorded in the Minutes of the Clarification and the Arithmetic Correction.
- 8) Participant's Bid will be adjusted according to the corrections made.
- 9) Quality and cost based selection method evaluation is conducted with the following terms:
 - a) Procurement Committee calculates the combination of the technical and financial by combining the corrected

scores of the technical and financial bid.

- b) Procurement Committee prepares and signs the Minutes of the Evaluation of the Bid and Combination of Technical and financial which at least consists of:
 - (1) Name and the address of the participants;
 - (2) Amount of the proposed financial;
 - (3) Scores of the bids:
 - (a) Technical; and
 - (b) Financial.
 - (4) Combination scores of the technical and financial bids;
 - (5) Conclusion on the fairness:
 - (a) Costs on the details of the direct remuneration;
 - (b) Expert assignments;
 - (c) Supporting staff; and
 - (d) Cost on the details of the direct reimbursable cost.
 - (6) Other notes considered necessary;
 - (7) Date of the minutes prepared; and
 - (8) Signatures of the Procurement Committee members and the representatives of the participants.
 - c) Minutes of the Financial Bid Evaluation and the technical and financial Combination is attached to the Financial Bidding Proposal.
 - d) In the event that 2 (two) or more Participants with the same technical and financial Bid combination scores, hence the Participant ranks are determined based on the higher technical score gained and this matter is recorded in the Minutes.
- j. Notification of the Bidding Proposal evaluation result
Procurement Committee notifies the Bidding Proposal evaluation result to every participant based on the Minutes of the Financial Bid and the Calculation of the technical and financial combined scores.

k. Negotiation

- 1) Procurement Committee invites the best rank participant to conduct a negotiation with the following terms:
 - a) There is no objection from other participants;
 - b) objection is proven to be false; or
 - c) objection period ends.
- 2) In conducting the negotiation, the Procurement Committee may ask for clarification if necessary.
- 3) Procurement Committee conducts a technical and financial negotiation with the following terms:
 - a) Technical and financial negotiation is conducted by the Procurement Committee with:
 - (1) President Director/the Head of the company/the Head of the National or International Agency/Institution/Organization;
 - (2) Endorsee of the power of attorney from the President Director/the Head of the company/the Head of the National or International Agency/Institution/Organization; or
 - (3) Official who according to the partnership agreement is entitled to represent the partner company.
 - b) Technical and financial negotiation is conducted to:
 - (1) Ensure the technical and financial clarity by paying attention to the suitability of the work weightings with the assigned experts and/or supporting staff and also by considering the needs of proportional supporting equipment/facilities in order to gain optimal results; and
 - (2) Gain an efficient and effective financial agreement by paying attention to the desired results according to the technical bid proposed by the Participants.
 - c) Technical aspects that need to be clarified and negotiated are mainly:
 - (1) Scope and aims of the Preparation Agency service;
 - (2) Procedures for handling the work and the work plan;

- (3) Expert's qualifications;
 - (4) Implementing organization;
 - (5) Schedule for the work implementation;
 - (6) Schedule for the personnel assignments; and
 - (7) Supporting facilities.
- d) Financial aspects that need to be clarified and negotiated are mainly:
- (1) Suitability of the work plan with the types of expenses;
 - (2) Activity volumes and the types of expenses; and
 - (3) Unit price compared to the market price. .
- e) Clarification and negotiation of the supporting staff cost (the technical and the supporting/administrative staff) such as the survey team, the secretary or office manager, is conducted based on the market price of such supporting staff.
- f) Financial negotiation is conducted to the total corrected financial bid which exceeds the owner's estimate so that the total of the financial bid as the result of the negotiation fulfills the owner's estimate without reducing the quality of the technical bid.
- g) Unit prices which may be negotiated are the direct reimbursable cost and/or unreasonable direct personnel remuneration.
- h) If the result of financial evaluation and negotiation is not found improper matters, then the total of the financial bid is acceptable provided that it does not exceed the budget limit.
- i) If the clarification and negotiation with the best rank participant does not reach an agreement, the Procurement Committee proceeds by inviting the second rank Participant to conduct the clarification and negotiation process as regulated in point a) and so on.
- j) If the clarification and negotiation with the second rank does not reach an agreement, the Procurement Committee proceeds by inviting the third rank to

conduct the clarification and negotiation process as regulated in point a) and so on;

k) If the technical and financial clarification and negotiation with the second and the third rank do not result in an agreement, The Selection is declared fail.

l) Procurement Committee prepares the Minutes of the Clarification and Negotiation Result.

1. Issuance of the Minutes of the Selection Result;

1) Procurement Committee prepared the Minutes of the Selection Result.

2) Procurement Committee delivers the selection result by attaching the Minutes of the Selection Result to the GCA to obtain an approval.

3) Minutes of the Selection Result is the conclusion of the administrative, technical and financial evaluation result prepared by the Procurement Committee and signed by at least two third of the total Procurement Committee members.

4) Minutes of the Selection Result is confidential until the appointment of the Preparation Agency.

5) Minutes of the Selection Result consists of the followings:

a) Names of the Selection Participants who participate in the Pre-qualification;

b) Names of the Selection Participants who pass Pre-qualification;

c) Administrative bid result and the technical evaluation score;

d) Bid costs from the Selection Participants who pass the administrative and technical evaluation;

e) Result of calculation of the technical and financial combination;

f) Clarification and negotiation result;

g) Owner's estimate;

h) Evaluation methods used;

i) Elements evaluated;

j) Formula used;

k) Other notes on the Selection implementation matters considered necessary;

- l) Date of the Minutes prepared.
- m. Determination of the winner;
 - 1) Based on the Minutes of the Selection Result, the Procurement Committee prepares and delivers a report to the GCA for the determination of the winner.
 - 2) Report as referred to in point 1), is accompanied by the proposal of the winner, the first and the second runner-ups (if any).
 - 3) GCA determines the winner, the first and the second runner-ups (if any) based on the proposal of the Procurement Committee not later than 10 (ten) work days.
 - 4) In the event where the GCA does not approve the Procurement Committee's proposal, the GCA will discuss this matter with the Procurement Committee to reach a decision and this matter is recorded in the Minutes which is signed by the GCA and the Procurement Committee.
 - 5) Minutes as referred to in point 4) contain information on the objections and agreements during the discussion.
 - 6) Decision as referred to in point 4) is in the form of an approval of the Procurement Committee's proposal or the implementation of a re-evaluation.
 - 7) Determination of the Selection winner is prepared according to the ranks and shall at least covers:
 - a) Name and the value of the work package;
 - b) Name and the address of the winner;
 - c) Tax payer Identification Number;
 - d) Financial bid; and
 - e) Combine value of the technical and financial bid.
 - 8) Supporting data required to determine the winner are:
 - a) Procurement Document with its revisions (if any);
 - b) Minutes of Pre-bid Meeting;
 - c) Minutes of the Financial Bid Evaluation and the Calculation of the Technical and Financial Scores Combination; and
 - d) Bidding Proposal from the first, second and third rank participants.

- n. Notification and the announcement of the winner
 - 1) Procurement Committee notifies the determination of the winners to all Participants and announces it on the GCA's official website which at least consists of:
 - a) Name and the address of the participant;
 - b) Tax payer Identification Number (*NPWP*);
 - c) Financial bid after the arithmetical correction; and
 - d) Combined scores of the technical and financial bids.
 - 2) Notification as referred to in point 1) may be carried out electronically.
- o. Objection;
 - 1) Participants submitting the Bidding Proposal may address their objections in writing on the determination of the winner to the Procurement Committee within 5 (five) work days accompanied by evidence of violation with a carbon copy sent to the GCA.
 - 2) Objections may be addressed by the participants whether individually or collectively with other participants if a violation in the procedure covers:
 - a) Violations of terms and procedures regulated in this Head Regulation and determined in the Request for Proposal (RfP);
 - b) Certain dishonest practices that prevent fair business competition; and/or
 - c) Abuses of authority by the Procurement Committee and/or other authorized officials.
 - 3) GCA is obligated to respond to all objections in writing not later than 5 (five) work days after the objection letter is received.
 - 4) If the GCA does not respond as referred to in point 3), the GCA is considered to have rejected the objection.
 - 5) If the objection is declared true by the GCA, the GCA will declare a re-evaluation or declare the Selection fail.
 - 6) Objections which are not addressed to the Procurement Committee or out of the objection period, are considered as complaints, and shall be followed up.

- p. Preparation Agency Appointment by the GCA.
- 1) Based on the determination of the winner, the GCA issues a Preparation Agency Appointment Letter to the Selection winner participant.
 - 2) If the appointed winner withdraws, a technical and financial negotiation process is conducted by the First and Second Runner Ups according to the ranks (if any) so long as the Bid Letter is still valid or its validity has been extended;
 - 3) If the winner, first and second runner ups (if any) that will be appointed as the Preparation Agency withdraw, the selection is declared fail by the Procurement Committee.
 - 4) The winner, first and second runner ups (if any) who withdraws with unacceptable reason, sanctioned by putting its name in the Black List.
- q. PPP Preparation Contract Signing.
- PPP Preparation Contract is signed not later than 10 (ten) work days after the issuance of the Preparation Agency Appointment Letter.

Issued in Jakarta
on 21 August 2015

HEAD OF THE NATIONAL PUBLIC
PROCUREMENT AGENCY,

Signed

AGUS PRABOWO